

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, पश्चिम बंगाल

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L65993WB1979PLC032394

मैसर्स AEKTA LTD

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
AEKTA LTD

जो मूल रूप में दिनांक चार दिसम्बर उन्नीस सौ उन्नासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
AEKTA LTD

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 को शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.6.1985 एस्.आर.एन A30535066 दिनांक 22/05/2008 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
LUDLOW JUTE & SPECIALITIES LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा कोलकाता में आज दिनांक बाईस मई दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, West Bengal

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L65993WB1979PLC032394

In the matter of M/s AEKTA LTD

I hereby certify that AEKTA LTD which was originally incorporated on Fourth day of December Nineteen Hundred Seventy Nine under the Companies Act, 1956 (No. 1 of 1956) as AEKTA LTD having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A30535066 dated 22/05/2008 the name of the said company is this day changed to LUDLOW JUTE & SPECIALITIES LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Kolkata this Twenty Second day of May Two Thousand Eight.



(DEBASISH BANDOPADHYAY)

कम्पनी रजिस्ट्रार / Registrar of Companies

पश्चिम बंगाल
West Bengal

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

LUDLOW JUTE & SPECIALITIES LIMITED

LITTLE RUSSELL STKANRARIA ESTATE 4 TH FLOOR, KOLKATA - 700071.



सत्यमेव जयते

Form I. R.

CERTIFICATE OF INCORPORATION

No. 32394 of 1979

I hereby certify that **AEKTA LIMITED**
is this day incorporated under the Companies Act, 1956
(No. I of 1956) and that the Company is Limited.

Given under my hand at Calcutta

this Fourth day of December

One thousand nine hundred and Seventy nine



Sd. – S. C. BASU
Registrar of Companies
West Bengal



Co. No. 32394

Certificate for Commencement of Business

Pursuant of section 149 (3) of the Companies Act, 1956

I hereby certify that the AEKTA LIMITED which was Incorporated under the Companies Act, 1956, on the Fourth day of December 1979 and which has this day filed a duly verified declaration in the prescribed form that the condition of section 149 (1) (a) to (d) 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Calcutta this Twenty Fourth day of January One thousand nine hundred and Eighty.

Sd/- – S. C. BASU
Registrar of Companies
West Bengal



THE COMPANIES ACT, 1956

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

LUDLOW JUTE & SPECIALITIES LIMITED

- I. The name of the Company is **LUDLOW JUTE & SPECIALITIES LIMITED**.
- II. The Registered Office of the Company will be situated in the State of West Bengal.
- III. The objects for which the Company is established are :
 - A. Main objects to be pursued : ¹
 1. To carry on the business of exporters, importers, buyers, manufacturers, blenders, sellers, producers, brokers, buying agents, selling agents, general merchants, stevedores, curers, commission agents, factors, distributors, stockists, agents, traders and suppliers of and dealers in all classes and kinds of jute, jute goods, jute cuttings, jute rejections, cotton, cotton textiles, yarn, wool, silk, handicraft, flax, hemp, rayon, nylon, synthetic and other fibrous materials including blended materials and manmade fibres and readymade garments and to carry out all such allied and incidental activities and to deal in all kinds of other substances, either basic or intermediate, required for the above mentioned product or products.
 2. To carry on the business as traders, dealers, wholesalers, retailers, hedgers, combers, scourers, spinners, weavers, finishers, pressers, dyers, bleachers and manufacturers of yarn and fabrics of jute, wool, cotton, silk, rayon, nylon, terylene and other natural, artificial and synthetic and/or fibrous substances and/or manufacturer of materials from the waste realized from the above mentioned products either on its own account or on commission and to carry on the business as drapers and dealers in furnishing fabrics in all its branches, as costumiers, readymade dress and mantle makers, silk mercers, makers and suppliers of clothing lingerie and trimmings of every kind, furriers, drapers, haberdashers, milliners hosiers, gloves, lace makers, feather dressers, felt makers, dealers in and manufacturers of yarns, fabrics and also to manufacture, deal in or process natural starch and other sizing materials, dye-stuff, synthetic or chemical substances of all kinds and compounds and other substances, either basic or intermediate required for the above mentioned product or products.
 - B. The objects incidental or ancillary to the attainment of the main objects are :
 1. To borrow or raise or secure the payment of money by the issue of debentures, bonds, obligations, deposit notes and securities of all kinds and to frame, constitute and secure the same, as may seem expedient with full power to make the same transferable by delivery or by instrument of transfer or otherwise, and either perpetual or terminable and other redeemable or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the Company or upon any specific property and rights, present and future of the Company or otherwise howsoever, and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
 2. To facilitate and encourage the creation, issue or conversion of debenture, debenture stocks, bonds, obligations, shares, stock and securities and to act as trustees in connection with any securities and to take part in the conversion of business concerns and undertakings into companies.
 3. To acquire by purchase, lease, exchange or otherwise land, buildings and hereditaments of any tenure or description whatsoever, plant and machinery and any estate or interest therein and any rights over or connected with the land and to turn the same to account as may seem expedient and in particular by preparing building, sites and by constructing, reconstructing, altering, improving, decorating, furnishing, and maintaining, offices, flats, houses, cinema houses, laboratories, cold storages, factories, warehouses, shops, wharves, buildings, works and convenience of all kinds and by consolidating or connecting or sub-dividing properties and by leasing, transferring, exchanging or otherwise disposing of the same, as may be necessary for the purpose of the Company.
 4. To promote any other Company for the purpose of acquiring all or any property thereof or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
 5. To acquire and undertake all or any part of the business property and liabilities of any person or company carrying on any business which the company is authorised to carry on or possessed of.

¹ 'Main Objects' and 'Other Objects' of the Company changed under section 17 of the Companies Act, 1956 to the extent mentioned

and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, right or information so acquired.

7. To obtain any Order or Act of Legislature or Parliament for enabling the Company to obtain powers and authorities necessary or expedient to carry out or extend any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly, to prejudice the Company's interest.
 8. To carry on business as financiers and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations in which the Company is authorised to carry on business and also to borrow or lend and advance money and to sell and deal with stocks, funds, shares, debenture, debenture stocks, bonds, obligations and other securities provided that the Company shall not carry on the business of Banking.
 9. To invest and deal with moneys of the Company not immediately required upon such securities, and in such manner as may from time to time be determined.
 10. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stocks, contracts, mortgages, charges, obligations, instructions and securities of any company or of any authority supreme, municipal, local or otherwise or of any person whomsoever, whether incorporated or not and generally to guarantee or become sureties the performance of any contracts or obligations.
 11. To enter into partnership or into any arrangement for sharing profits, union of interests or cooperation, joint venture, reciprocal concession or otherwise with any company, firm or persons carrying on or proposing to carry on any business within the objects of this Company and to take or otherwise acquire and hold shares, stocks or securities in any such Company.
 12. To draw, make, accept, endorse, and negotiate cheques, promissory notes, bills of exchange, hundies and other negotiable instruments.
 13. To provide for the welfare of the employees, ex-employees, directors and ex-directors of the Company or its predecessors in business or the family members, dependents or connections of such persons by building or contributing to the building of houses, dwelling or quarters or by grants or money, pension, gratuities, allowances, payment towards insurances, houses, profit shares, bonuses or benefits or any other payments, or by establishing, supporting or from time to time subscribing or contributing or aiding in the establishment and support of associations, institutions, funds including provident funds, trusts, profit sharing or other schemes and conveniences, and by providing or subscribing or contributing towards the place of instruments on recreation, hospitals and dispensaries, medical and other attendances as the Company shall think fit.
 14. To support, donate, contribute, subscribe, to give and to pay in cash or in kind to any individual or body of individuals and also to contribute, donate and subscribe to any charitable, religious, educational or other public institutions, trusts, funds, clubs, societies or individual or body of individuals subject to the provision of Section 293 of the Companies Act, 1956, but not intended to serve any political cause or purpose.
 15. To amalgamate with any other company whose objects are or which includes objects similar to those of this Company whether by sale or purchase or otherwise.
 16. To sell or dispose of the undertaking of the Company or any part thereof for such conditions as the Company may think fit and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
 17. To carry on any other business, industry or trade whether manufacturing, commercial or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights or which it may be advisable to undertake with a view to improving, rendering valuable or turning to account any property, real or personal belonging to the Company or in which the Company may be interested.
 18. To do all or any of the above things either as principals, agents, trustees, contractors or otherwise and either by or through agents, subcontractors, trustees or otherwise and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the above objects.
- C. The Other objects for which the company is established are : ¹
1. To carry on the business of exporters, importers, buyers, manufacturers, sellers, producers, brokers, buying agents, selling agents, general merchants, stevedores, curers, commission agents, factors distributors, stockists, agents, traders and suppliers of and dealers in all classes and kinds of

chemicals (organic and/or inorganic, fine or heavy, their mixtures and formulations), pesticides and insecticides of all kinds including its formulation, foodgrains, food products, vegetable products, iron, steel, cement, paper, paper board news print, straw board, hard board, tea, coffee, manures, fertilizers, electrical goods, sugar, sugar cane, molasses, plant and machinery, vehicles and other automobile spare parts, tractors and other agricultural implements, tyres, tubes, tyre coard sheets, rubber and rubber products, plastic and plastic products, leather and leather products, foot wears, hides, skins, oil seeds, and any other seeds, metals and minerals and all other goods made thereof or there from, electrical, chemical, photographic, surgical and scientific apparatuses, instruments, goods and materials, cordials, drugs, tannins, essence and pharmaceuticals, mineral and other waters, oils, paints, pigment and varnishes, compounds, dye stuff, organic or mineral intermediates, paint and colour gunders, proprietary articles of all kinds and for which to carry on business of financiers, contractors, guarantors mmcl warehouseman and generally to carry on business of merchants, traders, dealers, export-house, of any goods, commodities and merchandise of any other description whatsoever as are incidental or conducive to the carrying on all of such business in India or Abroad.

2. To carry on the business of technical, financial and management consultants and advisers and to enter into collaboration agreement for the manufacture of items which the company is entitled to produce, in India and Abroad with the companies, firms and individuals, Central and/or State Governments and their concerns and to render and provide all type of services, including managerial, personnel, secretarial, designing, engineering, preparation of feasibility and project reports, drawings, plant layouts, tenders for all the plants and machinery, equipments, buildings, and other structures and helping finalisation of contracts and erection and commissioning of plants.
3. To carry on business as dealers, distributors, stockists, buyers, sellers, repairers, cleaners, storers, importers, exporters or agents of motor cars, trucks, lorries and carriages, motor cycles, scooters, bicycles, tractors, earthmoving equipments, trailers and other vehicles, agricultural implements, pumps and machineries and spare parts, engines, motors, accessories, components, tools, batteries, glass panels and sheets, apparatus, fittings, furnishing materials, tyres, tubes, paints, lubricants, fuel, oils, gas or other materials used or required for such vehicles, implements or machines and to act as transporters of goods and passengers travelling or clearing agents and to let out, hire or finance or hire-purchase system or otherwise automobile and other vehicles, implements machines and any of the afore-mentioned products or things.
4. To manage land, building and other properties, whether belonging to the Company or not and to collect rents and income, and to supply tenants and occupier and other refreshments, attendance, light, waiting rooms, reading rooms, meeting rooms, electric conveniences and other advantages.
5. To carry on business as producers, manufacturers, processors, converters, refiners, makers, bottle, stockists, dealers, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, carbon dioxide, nitrogen, hydrogen, helium and other types and kind of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation transport vehicles, space rockets and crafts communication, objects and media, power plants, domestic or public lighting, heating cooling or cooking purposes, lighters, plants, producing water, chemicals or fuels, pesticide, defence or warfare establishments, horticulture, forest or plants protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances and accessories required for, working on, using or producing any of such gases and products.
6. To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, portland cement, alumina cement, lime and limestone and by-products thereof, cement-pipes, sheets and other building materials, refractories and bricks.
7. To manufacture, process, import, export, buy, sell and deal in vanaspati oils, de-hydrated vegetable oils, oils made or processed from seeds, cotton seeds, occpanuts, products of plantations, horticulture, agriculture and forest produce and oil-cakes, and soaps and lubricants made from such oils or as by-products thereof.
8. To carry on business as timber merchants, saw mill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber, teak, plywood, fire wood and of all kinds and to manufacture and deal in atticles of all kinds in the manufacture of which timber, plywood or other wood is used and to buy, clear, plant and work timber estates.
9. To acquire by purchase, lease, exchange, hire or otherwise develop or operate land, buildings and hereditaments of any tenure or description including agricultural land, mines, quarries, tea or coffee gardens, farms, gardens, orchards, groves, plantations and any estate or interest therein, and any right over or connected with land and buildings so situated and develop or to turn the same to account as may seem expedient and in particulars by preparing building sites and by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels rooms, flats, houses, restaurants, markets, shops, workshops, mills, factories, warehouse, cold storages, wharves godowns, offices,

kilowatt hour meters, magnets, industrial jewels, ammeters, voltmeters, and other types of measuring instruments, electrical or non-electric die casting, screws, nuts and bolts, transformers of all types, circuit breakers, hoists, elevators, gears, trolleys and coaches, winches, air compressors, welders, refrigerators, switches, electric transmission towers, poles, tubes, insulating materials conductors, fuse and fush wires, adopter, domestic washing machines, television and wireless apparatus including radio receivers and resistors, electronic instruments, conductors, magnetic materials, transmitters, micro wave components, radar equipments, valves, transistors and allied items, sewing machines, watches and clocks, tape-recorders, household appliances and components parts thereof.

11. To carry on business as producers, growers, manufacturers, fabricators, processors, converters, refiners, makers, stockists, agents, importers, exporters, traders, retailers, suppliers, buyers, sellers, merchants, distributors, and concessionaries of and dealers in rubber plantations and plants producing elastic or adhesive substance, natural or synthetic rubber, elastomers, adhesives, wax, rubber, latex, plastics, P.V.C. and other synthetic resins, compounds, latexes or formulations including reclaimed from scrap materials and containers, packages, goods, parts, accessories, machineries and other materials and items made partly or fully of any of the products mentioned herein and used in or required for industries, transport vehicles, railways, air crafts, space crafts and rockets, sports, education, house-hold, decorative, furnishing, scientific, commercial, electrical, medical, agricultural or plantation purposes or for extraction, transport or distribution of mineral, mineral oils, water and chemicals.
12. To carry on business as manufacturers, producers, dealers, traders, importers, exporters, stockists, distributors, or agents, of GLS lamps, electric bulbs, miniature bulbs, tube, tube lights, flood lights, flash lights, mercury vapour bulbs, and other type or types of bulbs, lamps or tubes required or used for lighting or for industrial, domestic electronics, transport vehicles or commercial purposes and glass shells, fittings, tubes, filaments, tungsten and molybendum wires, caps and other materials, machineries, accessories and spares required or used for manufacture of bulbs, lamps or tubes.
13. To manufacture, export, import, buy, sell and deal in containers, cans, boxes, drums, cylinders, bottle tops, crown corks, packages packing materials, bags, pressed metweares, utensils, cutlery, table wares and articles made all of tin, metal, aluminium plates, sheets, glass, fibre, paper, board, cloth, hessian, leather plastic or other synthetic compound or materials, timber or plywood and to deal in tinplates, wire, aluminium sheets and to undertake either on own account or on commission basis or otherwise printing, painting, designing, enamelling, electroplating, engraving or otherwise decorating the aforesaid products or any of such products or articles.
14. To carry on business as manufacturers, processors, refiners, converters, producers, exporters, importers, traders, sellers, agents, in various kinds and forms percipitated and/or activated calcium carbonate, hydrated lime and other allied products made or manufactured partly or fully from calcium carbonate, hydrated lime, lime stone or lime, calcium carbide and other products, chemicals or gases made from or based on one or more of the products mentioned herein.
15. To carry on business as producers, importers, exporters, buyers, sellers, distributors, stockists, agents and brokers of coal, coke, charcol, petroleum, coke, copper, iron ore, bauxite, kyanite, fire clay, china clay, salt, sodium chloride, calcium, phosphate, nickle berrylium, uranium, zinc, lead, asbestos, tin, alumina, mercury, silicon, sulphur, graphite, brass, aluminium, silica, sand, bentonite, quartz, destrine, magnesite, dolomite, ferro-alloys, corundum manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet emerald pearl and other precious, semi-precious, or commercial minerals, and stones and to act as metal founders, manufacturers, agents and dealers of metals, sheets, wires, rods, squares, plates, metal foils, pipes, tubes, ingots, billets, circles, parts, coils, utensils, ornaments, decorative and art materials, and jewellery made wholly or partly from any one or more of the metals and materials mentioned herein.
16. To manufacture, export, import, buy, sell and deal in voltaic battery cells power pack or storage batteries and battery containers and battery eliminators of different types required for or used in domestic, household, industrial, commercial, agricultural, mining, hospital, surgical or scientific appliances machinery, apparatus or accessories and railways, tramways, automobile and other vehicles, air crafts, boats, ships, defence establishments, army, navy, and, air force, for wireless radios, torches, toys, electronic equipments or otherwise and also to carry on business as manufacturers of and dealers in torches, toys personal aids, and other appliances working on such batteries and such items and goods, which may be useful, akin or otherwise connected with any one or more of the aforesaid items or products.
17. To carry on business as manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailers, traders or brokers of foundry equipments, mould boxes, ingot mould, material handling equipments, tools, gadgets, accessories spares, chemicals, raw materials, fuel, stores, parts, apparatus and goods used in or required by the foundries and producers of steel or metal.

18. To carry business as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and forms of steel including mild, high carbon, spring, high speed, tool, alloy, stainless and special steels, iron, metals and alloys, ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, castings, wires, rails, rolling materials, rollers, other materials made wholly or partly of iron, steel, alloys and metals required in or used for industrial, agricultural, transport, commercial, domestic, building power transmission and or construction purposes.
19. To carry on business as agents, importers, exporters, dealers, traders, stockists, brokers, buyers, sellers, repairers, assemblers or hirers of plants, machinery, equipments, machine tools apparatus component parts, fittings, implements, accessories or raw materials required by industries, workshops, transporters, railways or for agricultural, plantations, handling, excavation, domestic, fabrication, or irrigation purposes and to acquire, construct, hire, decorate, maintain or own land workshops, factories, shops, show rooms, office, rights or agencies required for or in connection with any such business.
20. To carry on business as manufacturers, dealers, importers, exporters, stockists, agents, contractors, distributors, buyers, or sellers of paper and packages, boxes, wrappers, tapes, films, sheets, laminates and other packing materials made of paper, card-board, corrugated sheets, cloth, hessian, timber, teak plywood, metal, plastic, P.V.C. or other synthetic, chemical, fibrous or natural products and to own, acquire, take on lease, rent, hire, purchase, build, construct, develop or arrange land building, godown, shops, plant, machinery, equipments, stores or stocks, or services required in connection with or in relation to any of the foregoing business.
21. To produce, manufacture, refine, prepare, process, purchase, sell, import, export or generally deal in bricks, sand, stone, marble, tiles, refractories, china wares, sanitary materials, pipes, tubes, tubular structures, cement, paints, adhesives, sheets, roofings, glass, furniture, fittings, electrical goods, water supply or storage equipments, floor polish, door closers, concrete mixers, elevators, and any other building or decorative materials made of cement, stone, clay timber, teak, board, fibre, paper, glass, rubber; plastic or other natural or synthetic substance or chemical.
22. To carry on investment business and to purchase, acquire, hold and dispose of or otherwise deal and invest in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any Company constituted or carrying on business in India or elsewhere or debenture stocks, bonds, obligations and securities, issued or granted by Government State, dominion, sovereign ruler, commissioner, public body or authority supreme, municipal local or otherwise whether in India or elsewhere and to deal in real estates or properties either out of its own funds or out of funds that the Company might borrow and to vary or otherwise dispose of, exchange, transfer or alienate any of the investments, real estates and properties of the Company.
23. To act, as investors, guarantors, underwriters, financiers and to lend, or deal with the money either with or without interest or security, including in current or deposit account with any Bank or Banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the Company may approve. Provided that the Company shall not do any banking business as defined under the Banking Regulation Act, 1949.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body or persons whether corporate or unincorporate, and whether domiciled in India or elsewhere and the Company shall have the full power, authority or right to carry out or undertake all or any of the objects set out in this clause in India or in any part of the world. The objects specified in each of the paragraphs of this clause shall be regarded as Independent objects and accordingly shall in no way be limited or resticted (except where otherwise expressed in such paragraphs) by reference or inference from the terms of any other paragraphs or the name of the Company.

IV. The liability of the members is limited.

V. The Share Capital of the Company is Rs. 15,00,00,000/- divided into 1,49,90,000 Equity Shares of Rs.10/- each and 1000 Preference Shares of Rs.100/- each.

Names, addresses, description and occupation of subscribers	Number of shares taken by each subscriber	Names, addresses, description and occupation of witnesses
Umaid Singh Baid, Flat No.4, House No. 23A/110 Block 'F', New Alipore, Calcutta - 700 053 S/o Shri Subhkarani Baid Service	36 (Thirty six) Preference and 10 (Ten) Equity	<p>Witnessed for all the signatories :</p> <p>Devendra Joshi 19/1, Vidyasagar Street Calcutta - 700 009 S/o Shri Vidya Dhar Joshi Service</p>
Bhagwati Prasad Dhanuka 94, B. K. Paul Avenue, Calcutta - 700 005 S/o Shri Prahlad Rai Dhanuka Service	5 (Five) Equity	
Kamal Singhi Sethia Brothers 56, Netaji Subhas Road, Calcutta - 700 001 S/o Shri Nortanmal Singhi Service	5 (Five) Equity	
Shubh Karan Jain 2, Sunny Park, Calcutta S/o Late Shree Chandji Baid Service	5 (Five) Equity	
Mangal Mal Sethia P-9, Shivtolla Street (2nd floor) Calcutta - 700 070 S/o Shri Sumermal Sethia Service	5 (Five) Equity	
Ratan Lal Nahata 26/2B, Khagendra Chatterjee Road (1st Floor), Calcutta - 700 002 S/o Late Nath Mal Nahata Service	5 (Five) Equity	
Keshaw Prasad Dalmia 196, Jamunalal Bazaz Street Calcutta - 700 027 S/o Shri Radharaman Dalmia Service	5 (Five) Equity	
	36 (Thirty six) Preference and 40 (Forty) Equity	

Dated the 21st day of November 1979

These Articles were adopted by a Special Resolution passed at an Extra Ordinary General Meeting held on Tuesday the 29th September, 1992.

THE COMPANIES ACT, 1956
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
LUDLOW JUTE & SPECIALITIES LIMITED

I. PRELIMINARY

1. Save as provided herein, the regulations contained in Table 'A' in Schedule 1 to the Act, shall not apply to the Company. Table 'A' not to apply
2. The following expressions shall have the following meanings unless there be something in the subject or context inconsistent therewith :- Interpretation

“The Act” means the Companies Act, 1956 as for the time being subsisting.

“The Company” means **LUDLOW JUTE & SPECIALITIES LIMITED**.

“The Directors” means the Directors for the time being of the Company, or as the case may be, the Directors assembled at a Board meeting.

“Dividend” includes bonus.

“In Writing” and “Written” include printing, lithography, and other modes of representing or reproducing words in a visible form.

“Month” means calendar month.

“The Office” means the Registered Office for the time being of the Company.

“Public Holiday” means a public holiday within the meaning of the Negotiable Instruments Act, 1881: provided that no day declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.

“The Register” means the Register of Members to be kept pursuant to the Act.

“The Registrar” means the Registrar of Companies of the State in which the office is situated.

“Seal” means the Common Seal for the time being of the Company.

“Beneficial owner” shall mean the beneficial owner as defined in Section 2 (1) (a) of Depositories Act, 1996. As amended on 4-9-2001

“Depositories Act” shall mean the Depositories Act, 1996 and includes any statutory modification, alternation or re-enactment thereof for the time being in force. ”

“Depository” shall mean a depository as defined in Section 2(1) (e) of Depositories Act, 1996. ”

“Members” means the subscribers to the Memorandum of Association of the Company.

"Register" means the Register of Members kept pursuant to Section 150 of the Act and unless it be repugnant to the context or otherwise, the Register of beneficial owners in case of shares held in a depository.

Words importing the singular number also include the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

Words importing persons include corporations.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning in the Act.

The marginal notes, if any, are inserted for convenience and shall not affect the construction of these Articles.

II. CAPITAL

(1) Share

3. Subject to the provisions of these Articles, and of Section 80 and 80-A of the Act, the Company shall have power to issue preference shares, which are liable to be redeemed on such terms and in such manner as the Company may determine. Power to issue preference shares.
4. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions and at such times, as the Directors think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise. The Directors with the sanction of the Company in General Meeting, shall have full power to give to any person the right to call for the allotment of any shares either at par or a premium and for such period and for such consideration as the Directors think fit. Shares under the control of Director.
5. When at any time subsequent to the first allotment of shares in the Company it is proposed to increase the subscribed capital of the Company by the issue of new shares, then subject to any directions to the contrary which may be given by the Company in general meeting and subject only to those directions, such new shares shall be offered to the persons who at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person. After the expiry of the time specified in the notice aforesaid, or in receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think fit most beneficial to the Company. Further issue of shares.

As amended on 10.2.93.
6. Subject to the provisions of the Act it shall be lawful for the Company to issue at a discount shares of a class already issued. Issue at discount.
7. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the powers of paying commission on the issue of shares and debentures. The commission may be paid or satisfied in cash or in shares, debentures, debenture-stocks of the Company. Commission on the issue of shares and debentures.
8. The Company may pay a reasonable sum for brokerage. Brokerage.

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| <p>9. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder for any shares as the absolute owner thereof and accordingly shall not except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any trust benami or equitable or other claim to or interest in such share on the part of any other person or any interest in any fractional part of a share whether or not it shall have express or other notice thereof.</p> | <p>Company not bound to recognise interest in shares other than that of the registered holders.</p> |
| <p>9A. (1) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialized form pursuant to the Depositories Act 1996, any rules framed thereunder, and any amendments, modification, re-promulgation or re-enactment thereof.</p> | <p>Dematerialisation of Securities.
As amended on 4-9-2001</p> |
| <p>(2) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is a beneficial owner of the securities can at any time opt out of a depository, if permitted and in the manner provided by law and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.</p> <p>If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the securities.</p> | <p>Option for Investors.
As amended on 4-9-2001</p> |
| <p>(3) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> | <p>Securities in Depositories to be in.
As amended on 4-9-2001</p> |
| <p>4 (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.</p> | <p>Rights of Depositories and Beneficial owners
As amended on 4-9-2001</p> |
| <p>(b) Save as otherwise provided in (a) above the depository as the registered owner of the securities shall not have any voting rights or other rights in respect of the securities held by it.</p> | <p>"</p> |
| <p>(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of his securities held by a depository.</p> | <p>"</p> |
| <p>(5) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository the record of the beneficial owner may be served by such depository on the Company by means of electronic mode or by floppies or discs.</p> | <p>Service of Documents.
As amended on 4-9-2001</p> |
| <p>(6) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor or transferee both of whom are entered as beneficial owners in record of depository.</p> | <p>Transfer of Securities.
As amended on 4-9-2001</p> |
| <p>(7) Notwithstanding anything in the Act or these Articles where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> | <p>Allotment of Securities held with a depository.
As amended on 4-9-2001</p> |
| <p>(8) Nothing contained in these Articles regarding the necessity of having distinctive number of securities issued by the Company shall apply to securities held with a depository.</p> | <p>Distinctive Nos. of Securities held in a Depository.
As amended on 4-9-2001</p> |

of each class registered in his name in marketable lots, or if the Board so approves to several certificates each for one or more of such shares, but in respect of each additional certificate, the Company, if the Board so determines, shall be entitled to charge a fee of not exceeding Rs. 2/-.

member entitled to certificates.

Provided that no share certificate shall be issued in respect of shares held in dematerialised form.

As amended on 4-9-2001

As to issue of new certificate in place of one defaced, lost or destroyed.

12. If any certificate be worn out or defaced then, upon production thereof to the Company, the Board may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a new certificate in lieu thereof may be given. For every such new certificate and for every new certificate issued on the consolidation or subdivision of certificate, there shall be paid to the Company, if the Board so determines, a sum not exceeding Rs.2/-. In case of destruction or loss the member to whom such new certificate is given shall also bear and pay to the Company any legal costs and other expenses of the Company incidental to the investigation by the Company of the evidence of such destruction or loss and for the preparation of such indemnity.

13. The provisions of the Articles under the heading "Certificates" shall mutatis mutandis apply to the debentures of the Company.

To apply to debentures also.

14. Notwithstanding anything contained in these Articles, the Board or a Committee thereof may in their absolute discretion refuse sub-division or consolidation of share certificates or debenture certificates into the denomination of less than the marketable lots except where sub-division or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law or to mitigate the hardship of the shareholders in genuine cases as the Board or the Committee thereof may in its absolute discretion think fit.

Board of Committee may refuse sub-division or consolidation.

(3) Joint-holders of Shares

15. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-owners with benefit of survivorship subject to the provisions following and to the other provisions of these Articles relating to joint-holders.

Two or more holders of any shares deemed to be joint-holders.

(a) The Company shall not be bound to register more than three persons as the joint-holders of a share.

As amended on 10-2-93

(b) The joint-holders of share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.

(c) On the death of any one of such joint-holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.

(d) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the Certificate relating to such share and to the payment of dividend in respect thereof.

(4) Calls

16. Subject to the provisions of the Act and subject to the terms on which any shares may have been issued, the Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Directors. A call may be made payable in installments. A call may be revoked or postponed at the discretion of the Directors.

Directors may make calls.

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| 17. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. | Calls to date from resolution. |
| 18. Not less than 21 days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. | Notice of call. |
| 19. If by the terms of issue of any share or otherwise, the whole or part of the amount or issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount or issue price or instalment shall be payable as if it were calls duly made by the Directors and of which due notice had been given, and all the provisions, herein contained in respect of calls shall apply to such amounts, or issue price or instalment accordingly. | Amount payable at fixed time or by installments as calls. |
| 20. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same at the rate of 15 per cent per annum, from the day appointed for payment thereof to the time of the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or in part. | When interest on call or instalment is payable. |
| 21. At the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register of the Company as a holder or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call, nor that the quorum of Directors was present at the meeting at which any call was made or that such meeting was duly convened or constituted, nor any other matter whatsoever; and the proof of the matters aforesaid shall be conclusive evidence of the debt. | Proof on trial of suit for money due on shares. |
| 22. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the directors agree upon, and the company may, at any time, repay the amount so advanced either by agreement with the member or otherwise upon giving to such member three months' notice in writing. No member paying any sum in advance shall be entitled to participate in profit or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable. | Payment of call money in advance may carry interest. |

(5) Forfeiture and Lien

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| 23. If any member fails to pay any call or installments on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. | If call or instalment not paid notice may be given. |
| 24. The notice shall name a day (not being less than 21 days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited. | Terms of notice. |
| 25. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any | In default of payment, shares to be forfeited. |

27. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit. Forfeited shares to be property of the Company.
28. The Directors may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit. Power to annul forfeiture.
29. Any member whose shares have been forfeited shall notwithstanding such forfeiture be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses, owing upon or in respect of such shares at the time of time forfeiture, together with interest thereupon from the time of the forfeiture until payment at 15 percent per annum or such other rate as Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture but shall not be under any obligation to do so. Members shall be liable to pay money owing at the time of forfeiture and interest.
30. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demand against the Company in respect of the share, and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved. Effect of forfeiture.
31. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration if any given for the shares on the sale or disposition thereof shall constitute a good title to such shares. Declaration of forfeiture.
32. The Company shall have a first paramount lien upon all the shares (not fully paid-up) registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interests in any share shall be created except upon the footing and condition that Article 9 hereof is to have full effect and that said lien shall extend to all dividend from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Lien on shares.
33. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his executors and administrators, or his committee, curator bonis or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such members and the residue (if any) paid to such members, his executors, administrators, or other representatives or persons so recognized as aforesaid. As to enforcing lien by sale.
34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, nor the application of the purchase money and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition, and shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damage only and against the Company exclusively. Directors may appoint some person to execute an instrument of transfer.

35. Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holder of the said shares the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

Directors may issue new certificate.

(6) Transfer and Transmission of Shares and Debentures

36. Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence, along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by the transferor and the transferee and shall contain the name, and other particulars both of the transferor and the transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. The directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer.

Transfer not to be registered unless a proper instrument of transfer has been delivered to the Company.

37. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the act, and subject to the provisions of Article 9 and 40(a) hereof, the Company may, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Application for transfer.

38. Before registering any transfer tendered for registration the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the Registered holder that such transfer deed has been lodged and that, unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office of the Company within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Company shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company in respect of such non-receipt.

Notice to registered holder.

39. Neither the Company nor its Directors shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors be legally inoperative or insufficient to pass the property in the shares proposed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognized as the holder of such share and the previous holder shall so far as the Company is concerned be deemed to have transferred his whole title thereto.

Company not liable for disregard of notice prohibiting a transfer.

40. (a) Subject to the provisions of Section 111 of the Act and subject to the provisions of the Securities Contracts (Regulation) Act, 1956; and the rules and regulations made thereunder, the Directors may, at their own, absolute and uncontrolled discretion and giving reasons for such refusal, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of the company but in such cases the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

Directors may refuse to register transfer.

(c) Unless otherwise determined by the Board in any particular case for special reasons which may seem proper, no transfer shall be made to a minor, a person of unsound mind. to minor etc.

41. (a) Instrument of transfer of any share shall be in writing in the usual common form and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being, shall be duly complied with in respect of all transfers and of registration thereof. Form of transfer.
- (b) In the case of any share registered in any Register outside India, the Instrument of Transfer shall be in a form, recognised by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in sub-clause (a) hereof as circumstances shall permit.
42. All instruments of transfer which shall be registered, shall be retained by the Company. Instruments of transfer to be retained by the Company.
43. If the Directors refuse to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal. Notice of refusal to be given to transferor and transferee.
44. On giving seven day's notice by advertisement in a newspaper circulating in the district in which the office of the Company is situated the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time. Closure of register of members.
45. The executors or administrators or the holder of a succession certificate in respect of share of a deceased member (not being one of several joint-holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares but nothing herein contained, shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of probate or letter of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable. Title to share of deceased holder.
46. Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may with the consent of Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The Transmission Article". Subject to any other provisions of these Articles, if the person so becoming entitled to shares under this or the last preceding Article shall elect to register himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other persons he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfer of shares. All the limitations, restrictions and provisions of the Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid. Registration of persons entitled to shares otherwise than by transfer (Transmission Clause).
47. Subject to any other provisions of these Articles and if the Directors in their sole discretion are satisfied in regard thereto, a person becoming entitled to a share in consequence of the death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of the same. Directors may receive and give discharge for any dividends and other monies.

(7) Share Warrants

48. Subject to the provisions of Section 114 and 115 of the Act and subject to the direction which may be given by the Company in General Meeting, the Board may issue Share Warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue Clause 40 to 43 of Table 'A' in Schedule 1 to the Act, shall apply.
- Issue of Share Warrants.

(8) Stocks

49. The Company may exercise the power of conversion of its shares into stock and in that case Clauses 37 to 39 of Table 'A' in Schedule I to the Act, shall apply.
- Conversion of shares into stock.

(9) Alteration of Capital

50. The Company may by Ordinary Resolution from time to time alter the conditions of the Capital Clause of Memorandum of Association as follows :
- (a) Increase the Share Capital by such amount, to be divided into shares of such amount as may be specified in the resolution;
- (b) Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
- (c) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be same as it was in the case of the share from which the reduced share is derived; and
- (d) Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish its Share Capital by the amount of the shares so cancelled.
51. The resolution whereby any share is sub-divided or consolidated may determine that, as between the members registered in respect of the shares resulting from such sub-division or consolidation, one or more of such shares, shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other or others subject nevertheless to the provisions of Section 85, 87, 93, 99 and 106 of the Act.
52. Subject to the provision of Section 100 to 104 of the Acts, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.
- Increase, consolidation, sub-division and cancellation.
- Preference or special in respect of sub-division or consolidation.
- Surrender of shares.

(10) Modification of Rights

53. Whenever the capital (by reason of the issue of preference shares or otherwise) is divided into different classes of shares, all or any of the rights and privileges attached to each class may be varied in the manner provided in Section 106 of the Act and all the provision hereinafter contained as to General Meetings shall, mutatis mutandis, apply to the class meetings. Provided that the rights conferred upon the holders of the shares of any class issued in preference to other shares shall not, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied under this Article by the creation or issue of further shares. Any such new shares may be issued with such preferential rights as may be decided at the time of issue thereof.
- Modification of rights.

(11) Loan and Debentures

54. The Board may from time to time at its discretion, subject to the provisions of the Act, raise or borrow from any source and secure payment of any sum or sums of money for the purpose of the Company.
55. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, notes, convertible redeemable or otherwise, perpetual or redeemable debentures or debenture-stock or any mortgage or other security on the undertaking of the whole or
- Power to borrow.
- Conditions on which money may be borrowed.

between the Company and the person to whom the same may be issued. Provided that debenture-stock or bonds, with the right of allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

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| 57. | Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the Assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability. | Indemnity may be given. |
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(12) Reserves

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| 58. | The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may also carry forward any profits which it may think prudent not to divide without setting them, aside as a reserve. | Setting aside of profits as reserve or reserves. |
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III. GENERAL MEETING

(1) Convening of Meetings

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| 59. | (a) | The Board may, whenever it thinks fit, call an Extraordinary General Meeting provided however, if at any time there are not in India Directors capable of acting who are sufficient in number to form a quorum, any Director may call an Extraordinary General Meeting in the same manner as nearly as possible, as that in which such a meeting may be called by the Board. | Calling of Extra Ordinary General Meetings. |
| | (b) | Each Director shall be entitled to attend and speak at any General Meeting of the Company. | Directors entitled to speak. |

(2) Proceedings at General Meetings

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| 60. | The quorum for a General Meeting shall be five members present in person. | Quorum. |
| 61. | At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or, though present, be unwilling to act as Chairman, the members present shall choose one of the Directors present to be Chairman, or if no Director shall be present and willing to take the Chair, then the members present shall choose one of their number, being a member entitled to vote to be Chairman. | Chairman. |
| 62. | Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the Articles specifically require such act to be done or resolution to be passed as a special resolution. | Acts done or resolution passed by ordinary resolution. |

63. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting if convened upon a requisition of shareholders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be a public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting the quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called. If quorum not present, meeting to be dissolved or adjourned.
64. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member. Motion how to be decided in case of equality of votes.
65. The Chairman of a General Meeting may adjourn the same, from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting. Chairman may adjourn meeting.
66. (a) Before or on the declaration of result of the voting on any resolution on a show of hands :- Poll how to be taken.
- (i) a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and
- (ii) shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than Rs.50,000/- has been paid up.
- (b) The demand for a poll may be withdrawn at any time by the person or person who made the demand.
- (c) If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
67. At any General Meeting unless a poll is duly demanded a declaration by the Chairman that on a show of hands a resolution has or has not been carried unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence to the fact, without proof to the number or proportion of the votes cast in favour of or against the resolution. Questions at General Meeting how decided.

(3) Votes of Members

68. On a show of hands, every holder of Equity Shares entitled to vote and present in person shall have one vote and upon a poll, every holder of Equity Shares entitled to vote and present in person or by proxy shall have one vote for every share held by him. No voting by proxy on show of hands.
69. Subject to the provisions of the Articles, any person entitled under the Transmission Article to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that seventy-two hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non-composmentis he may vote whether on a show of hands or at a poll by his committee, curator bonis or other person recognised by the Company as entitled to represent such member and such last mentioned persons may give their votes by proxy. Votes in respect of persons entitled under Transmission clause.
70. Where there are joint-holders of shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the Register in respect of such share shall alone be entitled to vote in respect thereof. Any person may vote in respect of joint-holders.

72. The instrument appointing a proxy and the power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Deposit of instrument of appointment.
73. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless, that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked. Validity of votes given by proxy notwithstanding death etc. of member.
74. Every instrument appointing a proxy shall, as nearly as circumstances will admit, be in the form set out in Schedule IX to the Act. Form of proxy.
75. No member shall be entitled to vote on any question either personally or by proxy or as a proxy for another member at any General Meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable presently to the Company in respect of any of the shares of such member. No member to vote unless calls are paid.
76. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes. Time for objection to votes.

IV. DIRECTORS

(1) General Provisions

77. Until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three or more than twelve. Number of Directors.
78. As on the date of adoption of these Articles, the persons hereinafter named are the Directors of the Company Directors.
1. Mr. S. S. Kanoria
 2. Mr. C. D. Khanna
 3. Mr. I. P. Poddar
 4. Mr. A. Basu
 5. Mr. R. Khaitan
 6. Mr. D. K. Ghose (Nominee I.F.C.I.)
 7. Mr. B. P. Dhanuka
 8. Mr. B. M. Bhandari
79. A Director need not hold any shares in the Capital of the Company to qualify himself to act as a Director of the Company. Director need not hold qualification shares.
80. (a) Each Director shall be entitled to be paid out of the funds of the Company by way of remuneration for his services in attending board or committee meeting such sum as may be fixed by the Directors from time to time within such limits as may be prescribed by the act or the Central Government from time to time for every meeting of the Board of Directors or Committee thereof attended by him. Remuneration of directors.
- (b) Subject to the provisions of Section 198, 309 and 310 of the Act, (wherever applicable and without prejudice to Articles 80(a) and 80(c) hereof) the Directors (other than a Managing Director and a Director in the Wholetime employment of the Company) may be paid further remuneration by way of commission if the Company by a Special Resolution authorises such payment provided that such commission shall not in the aggregate exceed 3% of the net profits of the Company (to be reduced to 1% of the

net profits of the Company if the Company has a Managing Director or Director in its Wholetime employment) computed in the manner laid down in Section 309(5) of the Act and further that such remuneration shall be paid to all the Directors for the time being in office (other than a Managing Director and a Director in the wholetime employment of the Company) or to any one or more of them in such proportion as the board may by Resolution decide when authorising such payment and in default of such decision equally to all the directors.

- (c) Subject to the provisions of the Act the Directors may allow and pay to any Director, who for the time being is resident out of place where any meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as specified. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company the Directors shall be entitled to remunerate such Director in any manner as may be determined by them in addition to the remuneration above provided.

81. The continuing Directors may act notwithstanding any vacancy in their body, but if the number falls below the minimum above fixed the Directors shall not, except for the purpose of filling vacancies or for summoning a General Meeting, act so long as the number is below the minimum.

Directors may act notwithstanding vacancy.

82. Subject to the provisions of the Act, the Directors (including a Managing Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership, of or in which any Director shall be a member or otherwise interested be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or the fiduciary relation thereby established.

Directors may contract with Company.

(2) Appointment of Directors

83. The Company in General Meeting, may, subject to the provisions of these Articles and the Act, at any time elect any person to be a Director and may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Appointment of Directors.

84. The Directors shall have power at any time and from time to time, to appoint any person other than a person who has been removed from the office of a Director of the Company to be a Director of the Company as an addition to the Board but so that the total number of directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only until the conclusion of the next following Annual General of the Company when he shall be eligible for re-appointment.

Appointment of Additional Directors.

85. The Directors shall also have power to fill a vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.

Casual vacancy.

86. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), Industrial Reconstruction Bank of India (IRBI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Insurance Company Limited (OIC), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UI), West Bengal Industrial Development Corporation Limited (WBIDC), The Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PICUP), Haryana State Finance Corporation and West Bengal Finance Corporation or a State Financial Corporation or State Industrial Development Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two

Nominee Directors.

arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholtime or non-wholtime (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the opinion of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the opinion of the Corporation such Nominee Director/s shall not be liable to retire by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation and paid off or on the Corporation ceasing to hold Debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as wholtime Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a wholtime Director in the management of the affairs of the Company. Such wholtime Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

87. The Board may appoint any person to act as an alternate director for a Director during the latter's absence for period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of meeting of the Board and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

Appointment of
Alternate Director.

(3) Rotation of Directors

88. At every Annual General Meeting of the Company one third of the Directors for the time being, liable to retire by rotation (and if their number is not three or a multiple of three then the number nearest thereto), shall retire from office. The Directors to retire at such Annual General Meeting, shall be the Directors (other than Managing Director and or any other Director who by virtue of the provisions of any agreement referred to in Article 86 is not liable to retire) who shall have been longest in office since their last appointment. As between Directors who become Directors on the same day, those to retire shall (in default of an agreement between them) be determined by lot. For the purpose of this Article a Director appointed to fill a vacancy under the provisions of Article 85, shall be deemed to have been in office since the date on which the Director, in whose place he was appointed, was last appointed as a Director. Retirement by rotation.
89. (a) A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires. Eligibility for re-appointment.
- (b) A person who is not a retiring Director shall be subject to the provisions of the act, be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him, has not less than fourteen days before the meeting, left at the office of the Company a notice in writing, under his hand signifying his candidature to the office of Director or the intention of such member to propose him as a candidate, for that office as the case may be along with a deposit of such sum as may be prescribed, by the Central Government from time to time which shall be refunded to such person or as the case may be, to such member if the person succeeds in getting elected as a director. Notice of candidature for office of director.
90. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled-up, the meeting shall stand adjourned till the same day in the next week or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting the places of the retiring Directors are not filled-up the retiring Directors or such of them as have not had their places filled-up shall (if willing to continue in office) be deemed to have been re-elected at the adjourned meeting. Provisions in default of appointment.
91. The Office of a Director shall be deemed to have been vacated :- When the office of a director shall be deemed to have been vacated.
- (a) ipso-facto, in the eventualities mentioned in Section 283 of the Act;
- (b) In the event of the resignation by a Director or the withdrawal of his nomination in the case of a nominated Director on the date on which the letter of resignation or the letter of withdrawal of his nomination, as the case may be, is received by the Company.

(4) Proceedings of Directors

92. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. The Secretary may at any time, and upon request of any two Directors shall summon a meeting of the Directors. Meetings of Directors.
93. Subject to the provisions of the Act, questions arising at any meeting shall be decided by a majority of votes, each Director having one vote, and in case of an equality of votes, the Chairman shall have a second or casting vote. Casting vote of Chairman.
94. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present the Directors present shall choose one of their number to be Chairman of such meeting. Chairman of meeting.
95. Subject to the provisions of Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors that is to say, the number of Directors, who are not interested and are present at the meeting, not being less than two, shall be the quorum during such time. A meeting of Directors in which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion, which by or under the Quorum.

may, from time to time, be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and, are not superseded by any regulations made by the Directors under this Article.

97. All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committees or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person has been duly appointed and was duly qualified. Provided always that nothing in this Article shall be deemed to give validity to acts done by such Directors, Committee or person acting as aforesaid after it has been shown that there was some defect in any appointment or that they or any of them were disqualified.
98. A resolution may be passed by the Board by circulation in accordance with the provisions of Section 289 of the Act.
99. The Directors shall cause minutes to be duly entered in the books provided for the purpose :-
- (a) of all appointments of officers and Committees made by the Directors;
 - (b) of the names of the Directors present at each meeting of the Directors and of any Committee of Directors;
 - (c) of all orders made by the Directors and Committee of Directors;
 - (d) of all resolutions and proceedings of General Meetings and of meetings of Directors and Committees.

Acts of Committee valid notwithstanding defect in appointment.

Resolution by circulation.

Minutes of proceedings of meetings.

(5) Powers of Directors

100. The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents and to any regulations, not being inconsistent with these presents, from time to time made by the Company in General Meeting provided that no regulation so made shall invalidate any prior, act of the Directors which would have been valid if such regulation had not been made.
101. (a) Without prejudice to the general powers conferred by the preceding Article, the Directors may, from time to time, subject to the restrictions contained in the Act, delegate to any of the Directors, employees or other persons including any firm or body corporate, any of the powers, authorities and discretion for the time being vested in the Directors.
- (b) All deeds, agreements, and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts of moneys paid to the Company, shall be signed, drawn, accepted, or endorsed or otherwise executed, as the case may be, by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall, from time to time, determine.
102. The Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint attorneys and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The Company may have for use abroad such official seal as is provided for by Section 50 of the Act. Such seal shall be affixed by the authority and in the presence of, and the instruments sealed therewith shall be signed by such persons as the Directors shall, from time to time, by writing under the Seal appoint. The Company may also exercise the powers of keeping Foreign Registers as provided by the Act.

General powers of the Directors.

Delegation.

Power to make arrangements etc.

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| <p>103. (a)</p> | <p>Subject to the provisions of Sections 197A, 196, 267, 268, 269, 309, 310, 311, 316 and 317 and other applicable provisions of the Act and of these Articles, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company for such term not exceeding five years at a time and subject to such contract as they may think fit.</p> | <p>Power to appoint Managing Director.</p> |
| <p>(b)</p> | <p>Subject to the provisions of the Act and of these Articles, the Managing Director or wholetime Director shall not, while he continues to hold office, be subject to retirement by rotation under Article 88 but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Wholetime Director if he ceases to hold the office of Director from any cause.</p> | <p>Provisions Managing Director will be subject to.</p> |
| <p>(c)</p> | <p>Subject to the provisions of the Act the Directors may appoint a Secretary of the Company for such term, at such remuneration and upon such conditions as they think fit, and any Secretary so appointed may be removed by them. The Directors may appoint any temporary substitute for the Secretary, who shall, for the purpose of these presents, be deemed to be the Secretary.</p> | <p>Secretary.</p> |

V. COMMON SEAL

104. The Board of Directors shall provide a Seal for the purpose of the Company and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof and, shall provide for the safe custody of the Seal and the Seal shall except as otherwise empowered under the Act or rules there under, never be used except by the authority of the Board of Directors or a Committee of the Board of Directors and, one Director shall sign every instrument to which the Seal is affixed; provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

VI. BOOKS OF ACCOUNT AND DIVIDENDS

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| 105. The books of account shall be kept at the office of the Company or at such other place as the Directors think fit. | Books of accounts to be kept. |
| 106. The Board shall, from time to time determine whether and to what extent and at what times and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any books of account or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting. | Inspection by members. |
| 107. (a) A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors' Report and every document required by law to be annexed or attached to the Balance Sheet) or a Statement in the prescribed form as may be required shall, as provided by Section 219 of the Act, not less than twenty-one days before the meeting, be sent to every such member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section. | Statement of accounts to be furnished to General Meeting. |
| (b) Every Balance Sheet and Profit and Loss Account when audited and approved by the General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the accounts shall forthwith be corrected and thereforth shall be conclusive, subject to the approval of the Company in General Meeting. | |

(2) Dividends

108. The net profits of the Company (after making provision if any, for sinking, depreciation and reserve funds and for carrying forward balances for the next year) shall subject to the rights of holders of preference shares and to any resolution of the Company attaching any special privileges to other shares and to the provisions of these Articles, be divisible
- Division of profits.

110. The Company General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment subject to the provisions of Section 207 of the Act. Meeting may declare dividend.
111. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. But not larger than recommended by Directors.
112. No dividends shall be payable except out of the profits of the company of the year or any other undistributed profits, and no dividend shall carry interest as against the company. Dividends payable out of profits.
113. The declaration of the Directors as to the amount of the net profits of the company in any year shall be conclusive subject to the provisions of the Act. Declaration by Directors to be conclusive.
114. The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies. Interim Dividend.
115. The Directors may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 205-A of the Act in respect of all unclaimed or unpaid dividend. Retention of dividend and unclaimed dividend.
116. The Directors may retain the dividend payable upon shares in respect of which any person is under 'The Transmission Article' entitled to become a member or which any person under that Article is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same. Retention of dividends under Transmission Article.
117. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call made earlier and payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the call. Dividend and call together.
118. Any General Meeting may, upon the recommendation of the Directors, resolve that any assets, moneys, investments or other assets forming part of the undivided profits of the Company, standing to the credit of any reserve fund or special account or in the hands of the Company and available for dividend including any profits arising from the same or any part thereof or by reasons of any other accretion to capital assets or representing premium received on the issue of shares and standing to the credit of the share premium account, be capitalised and distributed (in the manner and to the extent permissible under the provisions of the Act) amongst such of the shareholders as would be entitled to receive the same if distributed by the way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares, debentures or debenture-stock (in the manner and to the extent aforesaid) of the Company which shall be allotted and distributed accordingly or towards payment of the uncalled liability on any issued shares, or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholder in full satisfaction of their interest in the said capitalised sum. Capitalisation.
119. For the purpose of giving effect to any resolution under the preceding Article, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular, may issue fractional certificates or ignore fractions or may vest the same in trust for the persons entitled as may seem expedient to the Directors. A proper contract shall be filed in accordance with the provisions of the Act where necessary and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective. Directors to settle difficulty.
120. Any one of the several persons who are registered as joint-holders of any share may give effective receipts for all dividends and payments on account of dividends in respect of such shares. One of the joint-holders may give effective receipts.
121. (a) Unless otherwise directed any dividend may be paid by cheque, warrant or postal money order sent through the post to the registered address of the member or person entitled thereto or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint-holder or to such person and such address as the member or person entitled to such joint-holders, as the case may be, may direct. Dividend how to be paid.

(b) Where any instrument of transfer of shares has been delivered to the company for registration and the transfer of such shares has not been registered by the company, it shall, notwithstanding anything contained in any other provisions of the Act :-

- (i) transfer the dividend in relation to such shares to the special account referred to in Section 205-A unless the company is authorised by the registered holder of such share in writing to pay such dividend to the transferee specified in such instrument of transfer; and
- (ii) keep in abeyance in relation to such shares any offer of rights shares under Clause (a) of sub-section (1) of Section 81 and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205.

122. The payment of every cheque or warrant sent under the provisions of preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof; provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money-order which shall be sent by post to any member or by his order to any other person in respect of any dividend.

Company not responsible for loss.

VII. AUDIT

123. Auditors shall be appointed, their remuneration shall be fixed, their rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be, in accordance with the provisions of Sections 224 to 233 inclusive of the Act.

Auditors of the Company.

124. Every balance sheet and profit and loss account when audited and adopted by the Company in general meeting shall be conclusive except as regards any error discovered therein within three months next after the adoption thereof. Whenever such error is discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive.

Accounts when passed will be treated final.

VIII. MISCELLANEOUS

(1) Reconstruction

125. On any sale of the undertaking of the Company the Directors or liquidators on a winding-up may, if authorised by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purpose in whole or in part of the property of the company. The liquidators (in a winding-up) may distribute such shares or any other property of the Company amongst the contributories without realisation or vest the same in trustees for them and may, if authorised by Special Resolution provide for the distribution or appropriation of the cash, shares, or other securities, benefits or property otherwise than in accordance with the strict legal rights of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

Acceptance of shares etc.

(2) Winding-up

126. Upon the winding-up of the Company, the holders of Preference Shares, if any, shall be entitled to be paid all arrears of preferential dividend upto the commencement of winding-up and also to be repaid the amount of capital paid-up or credited as paid upon such Preference Shares held by them respectively, in priority to the Equity shares, but shall not be entitled to any other further rights to participate in profits or assets; subject as aforesaid and to the rights of any other holders of shares entitled to receive preferential payment over the Equity Shares, in the event of the winding-up of the Company the holders of the Equity Shares shall be entitled to be repaid the amount of capital paid-up or credited as paid-up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid-up or credited as paid up on such Equity Shares respectively, at the commencement of the winding-up. If the assets shall be insufficient to repay the whole of the paid-up Equity Capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members holding Equity Shares in proportion to the capital paid-up or which ought to have been paid-up on the

Distribution of assets.

(3) Indemnity

128. Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against, and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Director, Manager or Secretary of other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or them as such Director, Manager, Secretary, Officer or employee in defending any proceedings whether civil or criminal, in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.
129. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or act or conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property required by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

Directors' and others right to indemnity.

Directors and other officers not liable for acts of others.

(4) Secrecy

130. Subject to the provisions of these Articles and the Act, no member or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Company to communicate.

No right to inspect without permission of Directors.

(5) Social Objective

131. The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilisation of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

Promotion and growth of national economy.

(6) General Power

132. Wherever in the Companies Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

General power in these Articles.

We the several persons whose names and addresses are subscribed below, are desirous of being formed into a company in pursuance of this Articles of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names.

Names, addresses, description and occupation of subscribers	Number of shares taken by each subscriber	Names, addresses, description and occupation of witnesses
Umaid Singh Baid, Flat No.4, House No. 23A/110 Block 'F', New Alipore, Calcutta - 700 053 S/o Shri Subhkarani Baid Service	36 (Thirty six) Preference and 10 (Ten) Equity	Witnessed for all the signatories : Devendra Joshi 19/1, Vidyasagar Street Calcutta - 700 009 S/o Shri Vidya Dhar Joshi Service
Bhagwati Prasad Dhanuka 94, B. K. Paul Avenue, Calcutta - 700 005 S/o Shri Prahlad Rai Dhanuka Service	5 (Five) Equity	
Kamal Singhi Sethia Brothers 56, Netaji Subhas Road, Calcutta - 700 001 S/o Shri Nortonmal Singhi Service	5 (Five) Equity	
Shubh Karan Jain 2, Sunny Park, Calcutta S/o Late Shree Chandji Baid Service	5 (Five) Equity	
Mangal Mal Sethia P-9, Shrivtolla Street (2nd floor) Calcutta - 700 070 S/o Shri Sumermal Sethia Service	5 (Five) Equity	
Ratan Lal Nahata 26/2B, Khagendra Chatterjee Road (1st Floor), Calcutta - 700 002 S/o Late Nath Mal Nahata Service	5 (Five) Equity	
Keshaw Prasad Dalmia 196, Jamunalal Bazaz Street Calcutta - 700 027 S/o Shri Radharaman Dalmia Service	5 (Five) Equity	
	36 (Thirty six) Preference and 40 (Forty) Equity	

Dated the 21st day of November 1979

IN THE HIGH COURT AT CALCUTTA

(Original Jurisdiction)

Company Petition No. 343 of 1982

Connected with

Company Application No. 95 of 1982

The Honourable Mr. Justice T. K. Basu

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER of an application under Sections 391(2) and 394 of the said Act.

AND

IN THE MATTER of Kanoria Chemicals & Industries Limited a Company incorporated under the Companies Act., 1956 having its Registered Office at No. 16A Brabourne Road, Calcutta within the jurisdiction aforesaid.

AND

IN THE MATTER of Aekta Limited a Company incorporated under the Companies Act, 1956 having its Registered Office at No. 16A Brabourne Road, Calcutta within jurisdiction aforesaid.

1. Kanoria Chemicals & Industries Limited
2. Aekta Limited - Petitioners.

The above Petition coming on for hearing on this day UPON READING the said Petition the order dated the twelfth day of May in the year One thousand nine hundred and eighty two whereby the abovenamed petitioner No. 1 Kanoria Chemicals & Industries Limited (hereinafter referred to as the said transferor Company) and the abovenamed petitioner No. 2 Aekta Limited (hereinafter referred to as the said transferee Company) were ordered to convene separate meetings of the Equity and Preference Share holders of the said transferor Company and the said transferee Company and secured debenture holders of the said transferor Company for the purpose of considering and if thought fit approving with or without modification the Scheme of Arrangement proposed to be made between the said transferee Company and annexed to the affidavit of Bhagawati Prasad Dhanuka filed on the twelfth day of May in the year One thousand nine hundred and eighty two the STATESMAN and the AAJKAL both dated the first day of June in the year One thousand nine hundred and eighty two each containing the advertisement of the notice convening the said meetings directed to be held by the said order dated the twelfth day of May in the year One thousand nine hundred and eighty two the affidavit of Bhagawati Prasad Dhanuka filed on the sixteenth day of June in the year One thousand nine hundred and eighty two showing of the publication of the said notices of the

Chairman of the said meetings dated respectively the seventh day of July in the year One thousand nine hundred and eighty two and the eighth day of July in the year One thousand nine hundred and eighty two as to the result of the said meetings. And upon reading on the Part of the Petitioner Companies an affidavit of Lakshmi Narayan Shastri filed on the thirtieth day of August in the year One thousand nine hundred and eighty two and the exhibits annexed thereto and an affidavit of Bhagawati Prasad Dhanuka filed this day and the exhibits annexed thereto and another affidavit of the said Bhagawati Prasad Dhanuka filed this day and the exhibits annexed thereto and upon reading the order made herein and dated the twentieth day of July in the year One thousand nine hundred and eighty two and the allegations contained in the supplementary affidavit are not admitted by the Central Government and upon having Mr. S. B. Mukherjee (Mr. P. C. Sen, Mr. S.N. Chowdury and Mr. S. Khaitan appearing with him) advocate for the Petitioner Companies and Mrs. U. B. Mukherjee advocate for the Central Government and it appearing from the report that the proposed modified Scheme of Arrangement has been approved by the requisite majority of the Equity and Preferences Share holders of the said transferor Company and the said transferee Company and the secured Debenture holders

eighty five and specified in the Schedule 'A' hereto and doth hereby declare the same to be binding with effect from the first day of July in the year One thousand nine hundred and eighty five (hereinafter referred to as the said transfer date) on the said transferor Company and the said transferee Company and their Shareholders and secured Debenture holders respectively.

THIS COURT DOTH ORDER

1. That "Mills" as defined and mentioned in the said modified Scheme of Arrangement of the said transferor Company specified in the first, second and third parts of the Schedule 'B' hereto be transferred from the said transfer date and vested in without further act or deed to the said transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be herein referred to and vested in the said transferee Company for all the estate and interest of the said transferor Company therein but subject nevertheless to all charges now affecting the same, and

2. That all the liabilities and duties-appertaining to the "Mills" of the said transferor Company except those mentioned in the Schedule 'B' to the said modified Scheme of Arrangement be transferred from the said transfer date without further act or deed to the said transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the said transferee Company, and

3. That all proceedings and/or suits and/or appeals now pending by or against the said transferor Company relating to the 'Mills' of the said transferor Company be continued by or against the said transferee Company and

4. That the transferee Company do without further application issue and allot to the said transferor Company five lacs Equity Shares of Rupees ten each in the said transferee Company as have not given such notice of dissent as is credited as fully paid and shall give credit to the said transferee Company for the balance amount of consideration as mentoned in clause (b) of Part III of the said modified Scheme of Arrangement and

5. That the said transferor Company and the said transferee Company do within thirty days as per the day of this order cause a certified copy of this order to be delivered to the Registrar of Companies West Bengal for registration and

6. That any person interested shall be at liberty to apply to the court in the above matter for any direction that may be necessary and

7. That the Schedule of assets be filed within three weeks from the date hereof and

9. That all parties do act on a copy of the minutes of this order duly signed by an officer of this court being served on them.

Witness Mr. Satish Chandra, Chief Justice at Calcutta aforesaid this sixth day of August in the year One thousand nine hundred and eighty five.

Khaitan & Co., Advocate

Sd/- A.K. DUTT 29.8.85

For Registrar

SCHEDULE 'A' ABOVE REFERRED TO

SCHEME OF ARRANGEMENT

BETWEEN

KANORIA CHEMICALS & INDUSTRIES LIMITED

AND

AEKTA LIMITED

AND

THEIR SHAREHOLDERS

Part - I

DEFINITIONS :

A. 'KANORIA' means Kanoria Chemicals & Industries Limited, a Company incorporated under the Companies Act, 1956 having its Registered office at 16A, Brabourne Road, Calcutta - 700 001, in the State of West Bengal.

B. "AEKTA" means Aekta Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 16A, Brabourne Road, Calcutta- 700 001. In the State of West Bengal.

C. "EFFECTIVE DATE" means the 1st day of July, 1985.

D. "MILLS" means Mills situate at Chengail, District Howrah, (West Bengal), known as Ludlow Jute Mills and forming part of the undertaking of KANORIA and more precisely :-

(a) (i) All moveable and immoveable assets, properties, land hereditaments and premises appertaining to the Ludlow Jute Mills of "KANORIA" at chengail, District Howrah. together with all compounds, yards, factory, buildings plant and machinery, watercourses, drains, liberties, rights easements advantages, and all appurtenances belonging to or in anyway connected thereto and all tenancy and other rights in all other immoveable properties appertaining thereto, except the assets and properties mentioned in the Schedule 'A' hereunder, and

- (ii) All current assets, book-debts, loans, advances, claims whether present, future or contingent, stocks of finished goods, semifinished goods, processed goods, raw materials and other making and packing materials, stores and spares and stocks in process and investments, bills of exchange, deposits, cash and bank balances, appertaining to the MILLS, and
- (iii) All licences, registrations, quotas, trades marks, patents, benefits of all pending contracts and engagements, papers and documents relating, inter-alia to land, buildings and plant and machinery, and

(b) All liabilities, duties, obligations of KANORIA arising out of or relating to or appertaining to MILLS except those mentioned in the Schedule 'B' hereunder, Whereas KANORIA has agreed to transfer its MILLS to AEKTA and whereas the plant and machineries mentioned in Schedule 'A' hereto and the liabilities mentioned in Schedule 'B' hereto shall not be transferred from KANORIA to AEKTA and such plant and machinery shall remain the property of KANORIA and such liabilities shall remain the liabilities of KANORIA and whereas KANORIA intends to remain in jute business, and whereas KANORIA has agreed to allow AEKTA to use various plants and machineries specified in Schedule 'A' on leave and licence basis and whereas AEKTA has undertaken and agreed to produce and manufacture jute goods as may be required by KANORIA from time to time for its said jute business.

Part - II

- (a) (i) That all the properties, right and powers of KANORIA appurtenant to its MILLS defined in Part-I except those mentioned in the Schedule 'A' hereunder as on the effective date with effect from the effective date shall stand vested in and transferred to AEKTA without any further act or deed and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vested in AEKTA for all the estate and interest of KANORIA but subject nevertheless to all charges now effective the same and that KANORIA SHALL IN DUE COURSE arrange release of charges in connection with and/or relating to the secured debentures of Rs. 150 lacs issued by KANORIA.
- (ii) The rest of the assets and business of KANORIA shall continue to be carried on by and belonging to and remain in possession and control of KANORIA.
- (b) (i) That all liabilities and obligations appertaining to its MILLS as defined in Part-I except those mentioned in the Schedule 'B' hereunder pursuant to all lease, contracts and commitments in the ordinary course of business of KANORIA including the liabilities and obligations of KANORIA concerning to staff and workmen of the MILLS working at the

be on the effective date whether existing future or contingent shall be transferred without any further act or deed to AEKTA and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of AEKTA.

- (ii) AEKTA will indemnify and keep KANORIA indemnified from and against all the liabilities. Claims, duties and obligations of KANORIA appertaining to the MILLS transferred to and vested in AEKTA as aforesaid.
- (iii) All the employees of the MILLS in service on the date immediately preceding the effective date shall become the employees of the AEKTA with continuity of service and without interruption on the same terms and conditions of service.
- (c) (i) KANORIA shall permit and grant licence to AEKTA to use the assets and properties mentioned in the Schedule 'A' hereunder upon payment of a licence fee calculated at the rate of Rs. 2 lacs per month or as otherwise decided by the Board of Directors of KANORIA.
- (ii) The said leave and licence shall be revocable at any time at the option of KANORIA.
- (iii) No right, title or interest in the said assets and properties specified in Schedule 'A' hereunder shall be vested or deemed to be vested in AEKTA and the ownership of the said assets and properties, shall remain in KANORIA and AEKTA shall be under an obligation to deliver immediately the said assets and properties to KANORIA on revocation of the said leave and licence by KANORIA.
- (iv) KANORIA shall have right to process and/or produce Jute Goods at MILLS and/or AEKTA shall process and/or produce Jute Goods as if and on behalf of KANORIA as may be required by KANORIA from time to time and AEKTA shall be under an obligation to process and/or produce the said Jute Goods from the raw materials either supplied by KANORIA or using its own materials on priority basis for and on behalf of KANORIA on such terms and conditions as may be mutually agreed upon.
- (v) KANORIA may at its option install such additional plant & machineries in the MILLS as may be required on leave and licence basis on such terms and conditions as may be mutually agreed upon. Such leave and licence shall be revocable at any time at the option of KANORIA and no right, title or interest in the said plant and machineries shall be vested or deemed to be vested in AEKTA and the ownership in the said plant and machineries shall remain in KANORIA and AEKTA shall be under an obligation to deliver immediately, the said plant and machineries to KANORIA on revocation of

machineries as may be installed as mentioned aforesaid shall be available and/or shall accrue to KANORIA and AEKTA shall have no right or claim over the same.

(vii) KANORIA shall insure all the assets and properties granted or to be granted on the leave and licence to AEKTA and AEKTA shall keep all such assets and properties in good and proper condition. AEKTA shall be liable for all loss and damages caused or sustained to the said assets and properties save the wear and tear of the assets and properties in the usual course of business.

(d) All legal proceedings now pending by or against KANORIA in respect of the MILL shall be continued by or against AEKTA.

(e) AEKTA shall be responsible for and liable to the payment of dues to the Creditors in respect of any debts or obligations or claims arising out of or in respect of any transaction prior to the effective date in respect of the MILLS. All the debts, liabilities, obligations and commitments whatsoever relating to the MILLS except those mentioned In Schedule 'B' hereunder which existed on the effective date or which may arise at any time thereafter shall be unconditionally taken over and asured by AEKTA without any question whatsoever as to the period to which it may relate and irrespective of whether or not these debts, liabilities, obligations and commitments existing on the effective date were or were not reflected in the accounts as of that date.

Part - III

(a) An account as on the effective date shall be taken on the basis of arrangement mentioned hereinabove, of all the assets, properties, debts, liabilities, obligations etc. proposed to be transferred to the AEKTA on book value as appearing in the books of KANORIA and the finished goods will be valued at cost or market rate whichever is lower. All receivable (except those mentioned in clause c (iv) of Part - III) and liabilities of the MILLS for the period after the effective date will be on account of AEKTA. The Book value of the current assets and liabilities as shall be certified by the Auditors of KANORIA will be binding on AEKTA.

(b) AEKTA shall in consideration of the transfer of the assets and liabilities as aforesaid, without any further application issue and allot to KANORIA 5,00,000 Equity Shares of Rs. 10/- each in AEKTA credited as fully paid up, and shall give credit to KANORIA for the balance amount of consideration in the books, which shall be treated as a loan by KANORIA to AEKTA and shall be on terms and conditions, as may be mutually agreed by the Board of Directors

shall have a second charge on current assets of AEKTA subject to prior charge of financial institutions and banks present and future and first charge on the fixed assets of AEKTA.

PART - IV

(a) Any revision or alteration in the above arrangement or any modification or abrogation thereof or in case of any doubt or difficulty in interpretation or implementation of this Scheme the same shall be settled and decided mutually by and between the Board of Directors of KANORIA and AEKTA respectively and failing such decision the same shall be referred to the sole arbitration of Shri P. K. Khaitan, Advocate and in case of his inability to any senior partner of M/s. Khaitan & Co., Advocates, Calcutta, whose decision shall be final and binding on all concerned.

(b) The Directors of the KANORIA and the AEKTA may assent to any modification in this Scheme or to any alteration which the Court or any other authority may approve or impose.

(c) AEKTA shall take necessary steps to increase its authorised share capital to Rs. 60,00,000/- and shall also take necessary steps to change its name suitably to indicate the new activities.

(d) Necessary application and/or petition will be made to the Hon'ble High Court at Calcutta for holding meetings of the Shareholders of KANORIA and the AEKTA for sanction of this Scheme of Arrangement.

(e) Until the Scheme is finally sanctioned by the Court and becomes operative KANORIA shall carry on and manage and be deemed to carry on and manage the MILLS for and on behalf of and in trust for the AEKTA after the effective date.

SCHEDULE "A" REFERRED TO HEREINABOVE

Description	Quantity
1. Battery Charger	1 No.
2. Electric Hoist	4 Nos.
3. Evenness Tester	1 No.
4. Calender	1 No.
5. Lapping Machine	1 No.
6. Beaming Machine	1 No.
7. Damping Machine	1 No.
8. Heracle Machine	15 Nos.
9. Hamming Machine	6 Nos.
10. D.G. Sets 180 KVA	4 Nos.
11. D.G. Sets 250 KVA	3 Nos.
12. SKL D.G. Sets 1100 KVA	1 No.

13. Apron Draft Spinning Frame-Lagar	1 No.
14. Apron Draft Spg. Frame - Imported	16 Nos.
15. Monohead Drawing Frame	6 Nos.
16. Cop Winder	8 Nos.
17. Sacking Looms	193 Nos.
18. Cutting Machine	1 No.
19. Weigh Bridge	1 No.
20. Avery Scale	1 No.
21. Water Supply Installation	1 No.
22. Macneil Magor Forklift Truck	1 No.

SCHEDULE "B" REFERRED TO HEREINABOVE

1. Term loans from	10,32,000.00
Central Bank of India Calcutta	
2. Deferred Payment Credits :	
(a) Under IDBI Bills Re-discounting Scheme :	
(i) Central Bank of India, Calcutta	1,32,804.00
(ii) Allahabad Bank, Calcutta	26,21,071.88
(b) Under Italian Suppliers Credit Scheme :	
(i) Allahabad Bank, Calcutta. \$ 3,08,690	
Equivalent to	
(Rs. 100=\$10.63)	29,03,951.07
Guarantee Commission - Deferred Payable :	
(a) Allahabad Bank, Calcutta	80,346.50
	<u>67,70,173.45</u>
Sd/- A. K. Dutta	29.8.85
For Registrar	

Schedule "B" above referred to

Schedule of Assets of Kanoria Chemicals and Industries Limited (the transferor Company) to be transferred to and vested in Aekta Limited (The transferee Company)

Part - I

A short description of the Freehold Property of the transferor Company.

All that place or parcel of land together with all buildings and structures etc. thereon situate in village Sijberia and Chengail in P. S. Uluberia in the District of Howrah in the state of West Bengal and measuring 517143.82 Sq.mts. more or less and comprised as follows :-

Mouza	Khaitan No.	Plot No.	Area In Acres	Classification
Sijberia JL-106	408	1654	0.35	Bastu
		1656/1677	0.10	Khal
			<u>0.45</u>	
	583	1650	0.73	Dangu
		1655	0.31	-do-
		1664/1688	0.21	-do-
		1026	0.59	-do-
			<u>1.84</u>	
	584	1648	0.67	Khal
		1649	0.38	Danga
		1651	0.40	Bastu
		1652	1.40	-do-
		1653	0.71	Bastu
		1656	0.14	Khal
		1657	0.27	-do-
		1658	0.83	Tank
		1659	1.23	-do-
		1660	1.82	-do-
		1661	3.35	Bastu
		1662	2.26	-do-
		1663	1.28	-do-
		1664	0.49	-do-
		1663/1683	0.05	-do-
		1656/1684	0.91	-do-
		1656/1685	0.15	-do-
		1664/1689	0.08	-do-
		1665	0.15	-do-

	590	1663/1680	0.64	Bastu
		1663/1681	0.06	-do-
		1663/1682	0.29	-do-
		1666/1686	0.11	Bandh
			<u>1.10</u>	
Chengail Jl. No. 105	68	4051/4362	0.25	Bharl
	437	789/1206	0.05	Path
	1013	4003	0.09	Danga
		4011	0.08	Rasta
		4012	0.06	Pukur
		4017	0.15	-do-
		4018	0.19	-do-
		4064	0.42	Factory
		4065	0.12	-do-
		4091	0.20	Danga
		4092	0.14	Bandh
		4093	0.16	Danga
		4094	0.02	Bandh
		4097	0.20	Factory
		4098	0.26	Bandh
		4101	0.16	Khal
		4105	0.02	-do-
		4106	0.04	-do-
		4107	0.38	Saswan
		4108	0.27	Bandh
		4109	0.43	Bastu
		4112	2.95	Danga
		4115	1.86	-do-
		4119	0.01	-do-
		4120	0.02	Rasta
		4125	0.03	Danga
		4126	0.02	Rasta
		4127	0.02	Danga
		4134	0.26	-do-
		4135	0.12	Rasta
		4136	1.04	Danga
		4137	0.73	Bazar
		4141	0.31	Danga
		4142	0.09	Rasta
		4143	0.33	-do-
		4147	0.03	Danga
		4154	0.05	Pukur
		4158	0.30	-do-
		4161	4.13	Bastu
		794	0.25	Kabar
		4115/4400	0.04	Rasta
		4115/4401	0.03	Danga
		4115/4402	0.01	Danga
		4115/4403	0.22	Rasta
		4115/4404	0.04	Danga
		4115/4405	0.16	-do-
		4161/4407	0.03	Rasta
		4161/4408	0.01	Danga
			<u>16.48</u>	

Mouza	Khaitan No.	Plot No.	Area in Acres	Classification
	1014	4004	0.25	Danga
		4005/4350	0.02	-do-
		4007	0.43	-do-
		4008	0.39	Rasta
		4010	0.31	-do-
		4013	1.58	Pukur
		4014	1.76	-do-
		4015	0.70	-do-
		4016	1.74	-do-
		4019	0.92	-do-
		4020	11.20	Factory
		4021	0.07	Rasta
		4025	0.11	-do-
		4026	9.84	Factory
		4027	0.70	Pukur
		4028	0.62	-do-
		4029	0.91	Khal
		4031	0.41	Bastu
		4032	1.15	Danga
		4035	0.12	Rasta
		4036	00.2	Khal
		4037	00.8	Bastu
		4041	0.35	Danga
		4042	0.18	Rasta
		4043	0.94	Bastu
		4046	0.29	Bandh
		4047	0.60	Danga
		4049	0.07	-do-
		4050	0.02	Khal
		4051	0.66	Danga
		4052	0.50	Bandh
		4058	0.28	Factory
		4063	1.27	-do-
		4066	0.17	-do-
		4073	0.14	Rasta
		4074	0.20	Bandh
		4075	0.19	Khal
		4081	5.41	Danga
		4086	0.03	-do-
		4096	0.10	Bandh
		4099	0.24	-do-
		4001	0.09	Khal
		4102	0.04	-do-
		4103	0.05	Danga
		4113	4.44	-do-
		4116	0.33	-do-
		4117	0.06	-do-
		4118	0.16	-do-
		4124	0.08	Rasta
		4128	0.10	Rasta
		4129	4.22	Danga
		4131	0.13	School
		4132	0.44	Rasta
		4133	0.49	Danga
		4138	1.29	Bazar
		4139	0.05	Rasta
		4140	0.12	Danga
		4144	0.06	Bastu

	4166	0.05	Danga
	4167	1.76	Bastu
	4172	0.13	Danga
	4173	0.09	Factory
	4061/4344	2.88	Rasta
	4174/4353	0.02	Danga
	4174	0.06	-do-
	4005	0.03	Shop
	4174/4354	0.02	Danga
	4005/4352	0.01	Shop
	4005/4351	0.01	-do-
	4069	0.02	Pukur
	4099/4393	0.02	Rasta
	4100/4395	0.02	-do-
	4100/4396	0.01	Khal
	4113/4399	0.10	Rasta
	4113/4398	0.20	-do-
1372/1	4113/4411	0.03	Danga
	4113/4412	0.98	Rasta
	4128/4397	0.03	-do-
	4138/4409	0.03	
	4148/4410	0.02	
		<u>65.96</u>	
1169	4059	0.11	Factory
	4060	0.17	-do-
	4067	0.04	-do-
	4083	2.65	-do-
		<u>2.97</u>	
1825	4038	0.65	Bastu
	4039	0.14	Rasta
	4053	0.19	Bandh
	4054	0.08	Khal
	4055	3.20	Bastu (Hospital)
	4095	0.08	Bandh
	4104	0.05	Khal
	4110	0.58	Bandh
		<u>4.97</u>	
1826	4040	0.95	Danga
	4111	0.90	-do-
		<u>1.85</u>	
1827	4022	0.08	Danga
	4048	0.18	-do-
	4033	0.54	-do-
	4070	0.01	-do-
	4076	0.08	-do-
	4085	0.21	-do-
	4087	0.09	-do-
	4114	0.11	-do-
	4121	0.04	-do-
	4123	0.12	-do-
	4130	0.12	-do-
	4164	0.19	-do-
	4169	0.20	-do-
	4044	0.10	-do-
	4080	1.02	-do-

Mouza	Khaitan No.	Plot No.	Area in Acres	Classification
		4114/4392	0.19	Danga
		4089	0.18	-do-
			<u>3.46</u>	
	1828	4006	0.07	Factory
		4009	0.08	Rasta
		4023	0.13	-do-
		4024	0.73	Factory
		4034	0.03	Rasta
		4045	0.09	Bandh
		4056	0.81	Factory
		4057	0.16	-do-
		4061	2.11	-do-
		4068	2.51	-do-
		4071	0.09	Pukur
		4072	0.15	-do-
		4077	0.05	Khal
		4078	0.07	Bandh
		4079	0.06	Rasta
		4082	0.42	Factory
		4084	0.44	-do-
		4088	0.14	Bandh
		4062	0.45	Factory
		4122	0.05	Rasta
		4159	0.08	Debostan
		4160	0.63	Bastu
		4162	2.05	-do-
		4163	0.06	Bastu
		4168	0.08	Rasta
		4170	1.11	Bastu
		4171	0.10	Maszid
		4078/4394	0.01	Rasta
		4114/4391	0.07	-do-
		4114/4406	0.01	-do-
			<u>10.84</u>	

Total : 127.80 = 517143.82 sq.mts.

Part - II

A short description of the leasehold Property of the transferor Company.

All that place or parcel of land together with all buildings and structure thereon, situated in village Sijberia and Chengail under P.S. Ulluberia in the district of Howrah in

the West Bengal and measuring 52447.16 Sq. meters and in the village of Pujali under P.S. Budge Budge in the district of 24 Parganas in the State of West Bengal admeasuring 4185.30 Sq. Metres and Jetty (Foreshore) more or less and comprised as follows :

Mouza	Khaitan No.	Plot No.	Area in Acres	Classification
Sijberia				
JL. No. 106	446	1666	0.58	Foreshore
		1666/1667	0.42	-do-
			<u>1.00</u>	
Chengail				
Jl. No. 105	67	4047/4357	0.98	Foreshore
		4048/4358	0.36	-do-
		4049/4359	0.13	-do-
		4050/4360	0.06	-do-
		4051/4361	1.44	-do-

4051/4371	0.18	-do-
4051/4372	0.89	-do-
4359/4377	0.05	-do-
4360/4378	0.02	-do-
4361/4379	0.40	-do-
4363/4380	0.43	-do-
4371/4381	0.17	-do-
4372/4382	0.49	-do-

11.96

Total - 12.96

52447.18 sq.mts

687	687	0.05
	687/1592	0.02
	687/1593	0.03
	667/1594	0.08
		0.18

479	686	
	677	
	677/1436	0.36
	677/1437	(1 Bigha 1 Cottah
	694	14 Chattacks)

Total - 0.54 = 2185.30 sq.mts.
Jetty (Foreshore)

51A

Part - II

A short description of all stocks, shares, debentures and other choses in action of the transferor Company

- Industrial Licence : L-24(2)65J & C/63 dated 31.7.1963 and the ammended Registration Certificate/No. R/10(b)/54 dt. 31.5.1954
R/23(2)/53
- Registration No. under Part No. 76(g) of the I.T.C. Issued by the Office : Jute/R/m/25 dt. 31.4.89,
of Jute Commissioner Jute (T) 5/48-68
- Registgration No. as a Registered Manufacturer Exporter Issued by the Jute Commissioner : No. Jute (RE)/1/75
- The Control Suptd., Calcutta Electric Supply corporation Ltd.,
18, Rabindra Sarani, Calcutta - 1. : H. T. Consumer No. 0106200600017
- The Chief Electrical Inspector, The Directorate of Electricity, Govt. of
West Bengal, 1, Harish Mukherejee Road, Calcutta - 700 020 : Generation of Electricity.
- The Jt. Chief Controller of Imports & Exports, Office of the Controller of Imports & Exports, Esplanade East,
700 069. : S.P. S. Rg. No. Cal./SPS/1483/85-86.
- The Calcutta Electric Supply Coprn., Victoria House, Calcutta - 700 001 : Lease in connection with Sub-Station etc.
and Electrity etc.
- Factory Licence : 302 dt. 2.11.21 Regd. No. 68-HW/X
20.3.79 Validity 31.12.85
- Boiler Licence
Relay - WBL 9848 12.10.84 Validity 18.10.85
Lancashire - WBL 10124 13.09.84 " 12.09.85
-do- WBL 10125 29.07.85 " 23.01.86

10. Generators		
(i) 1500 K.W. Ruston Engine No. 504541		Validity 20.09.85
(ii) 1500 K.W. Ruston Engine No. 504542		" 20.09.85
(iii) 1100 K.V.A. S.K.L. Engine No. M/C No. 3		" 02.12.86
(iv) 180 K.V.A. Kirloskar Cummins Engine No. 25117380		" 18.12.85
(v) 180 K.V.A. Kirloskar Cummins Engine No. 25112675		" 18.12.85
(vi) 180 K.V.A. Kirloskar Cummins Engine No. 25117384		" 18.12.85
(vii) 180 K.V.A. Kirloskar Cummins Engine No. 25118046		" 18.12.85
(viii) 250 K.V.A. Kirloskar Cummins Engine No. 25118737		" 14.01.86
(ix) 250 K.V.A. Kirloskar Cummins Engine No. 25118846		" 14.01.86
(x) 250 K.V.A. Kirloskar Cummins Engine No. 25118850		" 14.01.86
11. Marine for Launch "Judith" No. WB 634		" 17.07.85
12. Gun Licence No. 2781 dt. 1.8.84		Renewal applied for
Gun Nos. DBBL - A/3 3466		Validity 01.08.87
" " - A/3-3471		
13. Raw Jute Registration No. CS/71 M dt. 09.06.79		" 31.12.85
14. Explosive Licence No. P-12(5) 982/Beng. 5708 dt. 28.12.79		" 31.12.87
15. E.S.I.Code No. 41-1058 - 12		
(3 Franking Machines bearing Licence No.s WB/59/79, WB/60.79K		
WB/61/79 not being used as per new I.S.I. Act)		
16. Postal Franking M/C No. RE 158, Licence No. C 4024		
17. Entry Tax Deposit Account No. 8/ADV/HW For Coal		
Entry Tax Transport Pass (Advance Deposit Book) for Jute		
18. Motor Vehicles		Tax Token
WBG 6740		Date of Expiry
WMB 6731		31.05.86
WMB 1154		31.07.86
WMB 5195		28.02.86
WMB 5204		30.06.86
WMB 9696		30.06.86
19. Telephones : 613 - 267		
613 - 366		
613 - 367		
20. Rly. Sidings		
21. Permit in respect of No. 35/85 dt. 9.1.85 Kerosene Oil		Validity 31.12.85
Controller of Food & Supplies, Uluberia, Howrah.		
22. Central Excise Licence Nos. etc. :		
L-4 Licence : (a) - 1/Jute Mfg./T.I. 22A/Range-1/XII/79 dt. 23.3.79,		Validity 31.12.87
(b) - 1/Jute/Yarn/T.I. 78D/Range-1/XII/79, dt. 23.3.79,		Validity 31.12.87
L-6 Licence : (c) - 1/JBO/Range - 1/XII/79 dt. 28.3.79		Validity 31.12.87
P.L.A. No. : 1/Jute dated 5.4.79 for T.I. 22A		
1/Jute Yarn/79 dt. 18.4.79 for T.I. 18-D		
P.L.A. Ludlow Jute Company Ltd., - Outstanding balance		
B-2 Bond for Jute Mfg. : 1/B-2/T.I. 22A/Range - 1/XII/79, dt. 28.3.79 for Rs. 50,000.00		
Amount of Security : Rs. 1000/- In 7 years National Savings Certificate No. 7 MS/E 015146 issued by		
Changail Post Office on 23.3.49		
B-2 Bond for Jute Yarn : 1/B-2 T.I. 18D/Range-1/XII/79, dated 28.3.79 for Rs. 50,000.00		
Amount of Security : Rs. 1000/- In 7 years National Savings Certificate No. 7 NS/E 15147 issued by		
Changail Post Office on 23.03.79		

Custom duty

I.S.I.

Arbitration Deposit with Bengal Chamber of Commerce.

Exemption Certificate Issued by

Urban Land ceiling authority in respect of Lands.

Sd/- A. K. Dutt

29.8.85

For Registrar

I do hereby certify that this is true copy of the original in my custody.

Dated this 3rd day of Sept. 1985

Sd/- S. Ghose

For Registrar of the High Court at Calcutta
Original side.

Company Petition No. 150 of 1994

connected with

Company application No. 36 of 1994

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

President of the Union of India

In the Matter of

The Companies Act, 1956

and

In the Matter of

An Application Under Section 391 (2) and 394 of the said Act

and

In the Matter of

Kanoria Petroproducts Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "Indira Prakash", 21, Barakhamba Road, New Delhi - 110 001 outside the aforesaid jurisdiction.

And

In the Matter of

Aekta Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 6, Little Russel Street, Calcutta - 700 071 within the aforesaid jurisdictions Aekta Limited

.....Petitioner

The above petition coming on for hearing on this day and upon reading the said petition, the order dated the twenty eighth day of January in the year one thousand nine hundred and ninety four whereby the above named Aekta Ltd. (hereinafter referred to as the said transferee company) was ordered to convene a meeting of the equity shareholders of the said transferee company for the purpose of considering and, if though fit, approving with or without modification the scheme of arrangement proposed to be made between the above named Kanoria Petroproducts Ltd. (hereinafter referred to as the said KPL) and the said transferee company and their respective shareholders and annexed to the affidavit of Brijmohan Bhandari filed on the twenty eighth day of January in the year one thousand nine hundred and ninety four, the Telegraph and the Bartaman both dated the eighteenth day of February in the year one thousand nine hundred and ninety four each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated the twenty eighth day of January in the year one thousand nine hundred and ninety four the affidavit of Vitahl Das Mall filed on the sixteenth day of of March in the year one thousand nine hundred and ninety four showing the publication and despatch of the notice convening the said meeting, the report of the Chairman of the said meeting dated the twentieth day of March in the year one thousand nine hundred and ninety four as to the result of the said meeting and upon reading on the part of the petitioner company an affidavit of Lakshami Narayan Sastry filed on the twenty sixth day of April in the year one thousand nine hundred and ninety four and the exhibits therein referred to and an affidavit of Brij Mohan Bhandari filed on the thirty first day of August in the year one thousand nine hundred and ninety four and the exhibits therein referred to And upon reading the order made herein and dated the ninth day of April in the year one thousand nine hundred and ninety four

Seal/

The Honourable Mr. Justice

Baboo Lall Jain

And it appearing that in the said Scheme of arrangement provided that the said transferee company and Industrial Development Bank of India as the lead financial institution in respect of the Textile unit of the said "KPL" And from the supplementary affidavit affirmed by Brij Mohan Bhandari filed on the thirty first day of August in the year one thousand nine hundred and ninety four, it appearing that such approvals have been received both from Industrial Development Bank of India Ltd., and the Industrial Finance Corporation of India Ltd. And it also appearing that the said approvals are subject to various conditions as mentioned in the letters being the letter issued by Industrial Development Bank of India dated the twenty third day of August in the year one thousand nine hundred and ninety four and the letter issued by the Industrial Finance Corporation of India Ltd. dated the third day of August in the year one thousand nine hundred and ninety four. And it being submitted on behalf of the petitioners that the conditions mentioned in the said letters have duly been accepted by the Companies. And this however shall not prevent the company from coming to an agreement for modifications of the terms with the said Industrial Finance Corporation of India Ltd. and/or Industrial Development Bank of India if they are agreeable to such modification of the terms and the said Scheme of Arrangement being thus sanctioned subject to the conditions as specified in the letters of the said financial institutions and/or agreed modifications thereof, if any, as between the financial institutions and the petitioner companies And it being submitted that no sanction of any Scheme has yet been obtained from the Delhi High Court in respect of the said KPL and this Scheme being therefor sanctioned subject to such order for sanction being obtained by the petitioners from the Delhi High Court in respect of the said KPL And the following order being made subject to what has been order herein above.

This court doth hereby sanction the Scheme of arrangement set forth in annexure 'A' of the petition herein and specified in the schedule 'A' hereto and doth hereby declare the same to be binding with effect from the first day of January in the year one thousand nine hundred and ninety four (hereinafter referred to as the said transfer date) on the said KPL and the said transferee Company and their shareholders and all concerned.

This court doth order

- (1) That all the properties, rights and interests of the said KPL relating to the Textile Unit, specified in the first, second and third parts of the schedule 'B' hereto be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and be vested in the said transferee company for all the estate and interest of the said 'KPL' but subject nevertheless to all charges now affecting the same, and
- (2) That all the liabilities and duties of the said KPL in and/or relating to the Textile Unit be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the said transferee company; and
- (3) That all proceedings and/or suits and/or appeals now pending by or against the said KPL in respect of the Textile Unit be continued by or against the said transferee company; and
- (4) That leave be and the same is hereby granted to the petitioner company to file the schedule of assets of the said KPL within three weeks from the date hereof; and
- (5) That the said transferee company do within thirty days after the date of this order cause a certified copy thereof to be delivered to the Registrar of Companies, West Bengal for registration; and
- (6) That any person interested shall be at liberty to apply to this court in the above matter for such directions as may be necessary; and
- (7) That all parties do act on a copy of the minutes of this dictated order duly countersigned by an officer of this court being served on them.

Witness Shri Krishna Chandra Agarwal Chief Justice at Calcutta aforesaid the sixth day of September in the year one thousand nine hundred and ninety four.

Khaitan & Co.....Advocates

J. Nandi
26.9.94
For Registrar.

Schedule 'A' above referred
to
SCHEME OF ARRANGEMENT
BETWEEN
KANORIA PETROPRODUCTS LIMITED
AND
AEKTA LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS
PART - I

I. DEFINITIONS :

In this Scheme unless Repugnant to the meaning or context thereof, the following expression shall have the following meanings:

- A. "The Act" means the Companies Act 1956.
- B. "The Transfer Date" means 1st day of January, 1994.
- C. "The Effective Date" means the day on which the last of the approvals specified in Clause 3 of Part III of this Scheme shall have been obtained.
- D. "The Scheme" means this Scheme of Arrangement in its present form or with any modification as approved, imposed or directed by the Hon'ble High Courts at Calcutta and Delhi.
- E. "KPL" means Kanoria Petroproducts Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Indra Prakash", 21, Barakhamba Road, New Delhi - 110001.
- F. "AEKTA" means AEKTA Limited, a company incorporated under the Companies Act, 1956 having its registered office at 6, Little Russel Street, Calcutta - 700 071 in the State of West Bengal.
- G. "TEXTILE UNIT" means the Textile Unit of KPL established for manufacture, inter alia, of textile yarn at Gurgaon, Haryana and shall mean and include all the undertaking, properties and liabilities of such division and forming part of the undertaking of KPL and more precisely :—
- (a) all properties and assets, moveable and immovable, real and personal, corporeal and incorporeal, in possession or in reversion, present and contingent of whatsoever nature, wheresoever situate, as on the Transfer Date including all lands measuring in approximately 149 Kanals 8 Marlas at Gurgaon, Haryana, buildings, plant and machinery, vehicles, equipments, furniture, sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposit, loans and advances as appearing in the books of account of KPL and appertain to such division, leases, tenancy rights, and agency of KPL pertaining to such division and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlement, industrial and other licences registrations, quotas, trade marks, patents, copyrights, liberties, easements and advantages of all pending contracts, inter alia, to land, building and plant and machinery appertaining to such division and/or to which KPL is entitled to in respect of the said division of whatsoever kind, nature or description held, applied for or as may be obtained thereafter or to which KPL is entitled to in respect of the said division together with the benefits of all contracts and engagements and all books papers, document and records relating to the said division, and the export orders in hand for export of Yarn/ Cloth as on the Transfer Date and
- (b) all debts, liabilities, duties and obligations of KPL pertaining to and/or arising out of the said division whether existing, future or contingent of whatsoever nature and whether or not provided for in the books of accounts of KPL as on the Transfer Date as appearing in the books of Accounts of KPL and appertaining to the said division, including liabilities on account of unsecured loans, sundry creditors, bonus, sales-tax, excise and other taxation and contingent liabilities, whether existing or future of whatsoever nature and whether or not provided for in the books of account of KPL as herein stated in part II excepting those mentioned in Schedule 'A' hereinafter written.

- (c) All permanent employees of KPL engaged in or in relation with such division at its factory and branch and other offices.

1. KPL is having, inter alia, a Nylon Monomer Casting and Technical Monofilament Yarn Division at Shahibabad Dist. Ghaziahad (U.P) for manufacture of Nylon Castings and Monofilament Yarn for various applications and a Textile Division at Gurgaon, Haryana for manufacture of Yarn and cloth and KPL needs additional long term working capital finance for its Monomer Casting Division and to enable KPL to provide adequate and timely resources for working capital requirement of its Monomer Casting Divisions it is considered advisable to reorganise the business of KPL by transfer of TEXTILE UNIT to a separate company which would independently finance the capital investment needed for modernisation of TEXTILE UNIT and enable KPL to procure finance for its monomer casting Division. TEXTILE UNIT has good prospects for growth and development upon modernisation/expansion which requires induction of substantial finance which can be more conveniently and adequately raised in a separate Company.
2. AEKTA is presently engaged in the production of jute goods at its Ludlow Jute Mills at Chengail, Howrah and production of Cotton Yarn at TEXTILE Mills at Gurgaon, Haryana, Aekta is running the said unit as Licensee and is willing to take over the TEXTILE UNIT before the expiry of the term of the said agreement with which it has synergy and has the necessary finance and resources to modernise and expand the business of TEXTILE UNIT.
3. Under the said agreement AEKTA had the option to acquire the TEXTILE unit at the expiry of its terms at the price mentioned in the said agreement.
4. Under this Scheme of Arrangement it is proposed to transfer TEXTILE UNIT to AEKTA in the manner and on the terms and conditions stated herein. The Scheme will enable KPL to reduce the pressure on its liquidity and smoothly operates its Nylon Monomer Casting and Monofilament Yarn Divisions and will enable AEKTA to acquire TEXTILE UNIT and to modernise and expand the same. The Scheme will result in independent growth and expansion of the respective business of the Companies concerned and will facilitate greater focus on the operations of the various divisions of the companies to improve their profit potential.

PART - II

1. The Scheme although operative from the Transfer Date shall become effective from the Effective Date.
2. With effect from the Transfer Date, TEXTILE UNIT shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vest in or be deemed to have been transferred to and vested in AEKTA for all the estate and interest of KPL therein subject to all existing charges, mortgages and encumbrances, if any, affecting the same or any part thereof.
3. All debts, liabilities and obligations of KPL relating to TEXTILE UNIT as defined in Part I except those mentioned in Schedule 'A' as on the close of business on the day immediately preceding the Transfer Date, whether existing future or contingent and whether provided for or not in the books of account of KPL and all other liabilities relating to TEXTILE UNIT which may accrue or arise after the Transfer Date but which relate to the period up to the day immediately preceding the Transfer Date shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the debts, liabilities, duties and obligations of AEKTA and AEKTA undertakes to meet, discharge and satisfy the same to the exclusion of KPL.
4. AEKTA will indemnify and keep KPL indemnified from and against all the liabilities, claims, duties and obligations of KPL appertain to TEXTILE UNIT transferred to AEKTA as aforesaid.
5. AEKTA undertakes to have all legal or other proceedings pending by or against KPL as on the Effective Date and relating to TEXTILE UNIT (including those relating to any property, right, power, liability or duty of KPL in respect of TEXTILE UNIT) transferred in its names and to have the same continued prosecuted and enforced by or against AEKTA to the exclusion of KPL, AEKTA also undertakes to deal with all legal or other proceedings which may be started by or against KPL after the Effective Date relating to TEXTILE UNIT in respect of the period upto the day immediately preceding the Transfer Date, Aekta further undertakes to reimburse to KPL all amounts which KPL may be called upon to pay or secure in respect of any liability or obligation relating to TEXTILE UNIT for the period up to the day immediately preceding the Transfer Date and the costs incurred by KPL in respect of any proceeding instituted by or against KPL for the period upto the day immediately preceding the Transfer Date at any time after the said date, on submission of necessary evidence by KPL to AEKTA in respect of the assets and liabilities taken over by AEKTA.
6. KPL shall have right to process and/or produce Textile Yarn and Fabrics at TEXTILE UNIT and/or AEKTA shall process and/or produce Textile Yarn and Fabrics on behalf of KPL as may be required by KPL from time to time and AEKTA shall be under an obligation to process and/or produce the said Textile Yarn and Fabrics from own raw material either supplied by KPL or using its own material on priority conditions or such times as may be mutually agreed upon from time to time.

7. With effect from the Transfer Date and upto and including the Effective Date :

- (a) KPL shall be deemed to have been carrying on and to be carrying on all business activities relating to TEXTILE UNIT and shall be deemed to have held and stand possessed of the properties so to be transferred to AEKTA for and on account of and in trust for AEKTA.
- (b) All profits accruing to KPL or losses arising or incurred by it relating to TEXTILE UNIT shall for all purposes, be treated as the profits or losses, as the case may be of AEKTA.
- (c) KPL may in consultation with AEKTA install, erect such additional plant and machinery, buildings and godowns or modify, alter or change layout of the buildings and plants of TEXTILE UNIT as may be required in implementation of the modernisation programme for TEXTILE UNIT on such terms and conditions as may be mutually agreed upon between KPL and AEKTA.
- (d) KPL may in consultation with AEKTA dispose of any machinery or equipment at TEXTILE UNIT as may be considered expedient and the consideration mentioned herein shall be adjusted on mutually agreed terms.
- (e) KPL may borrow further moneys and create any charge on the fixed assets at TEXTILE UNIT for term loans for financing the modernisation programme of Textile Unit and if the loans are agreed to be provided to AEKTA, KPL will create the necessary charge and provide such guarantees as may be required on mutually agreed terms.
- (f) Save as aforesaid, KPL shall carry on the business of TEXTILE UNIT till the Effective date in the ordinary course of business and shall not without prior written consent of AEKTA alienate, charge or otherwise deal with or dispose of any assets of TEXTILE UNIT EXCEPT in the usual course of business nor utilise the profits, if any, relating to TEXTILE UNIT from the Transfer Date for the purpose of declaring or paying any dividend.

8. (a) AEKTA undertakes to engage, on and from the Effective Date, all the permanent employees of KPL engaged in TEXTILE unit on the same terms and conditions on which they are engaged on the Effective Date by KPL without any interruption of service as a result of the transfer. AEKTA agrees that the services of all such employees with KPL up to the Effective Date shall be taken into account for the purpose of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment empenation, gratuity and other terminal benefits.
- (b) The accumulated balances, if any, standing to the credit of the employees and officers of TEXTILE UNIT in the existing Provident Fund, Gratuity Fund and Superannuation Fund of which they are members will be transferred to such provident Fund, Gratuity Fund and Superannuation Fund nominated by AEKTA and/or such new funds to be established and caused to be recognised by the concerned authorities by AEKTA. Pending the transfer as aforesaid, the Provident, Gratuity and superannuation dues of the said employees and officers of TEXTILE UNIT would be continued to be deposited in the existing Provident, Gratuity and Superannuation Funds respectively.
- (c) AEKTA undertakes to pay, discharge and satisfy all debts, liabilities, duties and obligations of KPL relating to TEXTILE UNIT as on the close of business on the day immediately preceding the Transfer date and all liabilities debts, duties, obligations relating to TEXTILE UNIT which may accrue or arise after the Transfer Date but which relates to the period prior to the Transfer Date.

9. The transfer and vesting of the properties and liabilities of TEXTILE UNIT under clause 2 hereof and the continuance of the proceedings by or against AEKTA under clause 5 hereof shall not affect any transaction or proceeding already completed by KPL on and after the Transfer Date to the end and intent that AEKTA accepts all acts, deeds and things done and executed by and/or on behalf of KPL as acts, deeds and things done and executed by and on behalf of AEKTA.

10. Subject to other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to TEXTILE UNIT to which KPL is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of AEKTA and may be enforced as fully and effectively if instead of KPL, AEKTA had been a party thereto.

11. For the purpose of this Scheme, the consideration shall be determined by valuing the difference between Assets and Liabilities of the Textile Division of KPL taken over by Aekta at the values appearing in the books of Textile Division of KPL immediately before the date preceding the date of transfer. For the purpose of this Scheme, a statement of Account as on the date immediately preceding the transfer date shall be drawn up in respect of the assets, properties, debts, liabilities, duties and obligations of the Textile Unit to be transferred as per this Scheme. The said statement of Accounts shall be drawn up on the basis of the books of accounts of KPL relating to the textile unit as on the day immediately preceding the transfer date as audited by Auditors of KPL at the values as appearing in the books of accounts of the Textile Division of KPL as on the day immediately preceding the transfer date and shall be reflected in the books of account of Aekta at the values as aforesaid.

Scheme becoming effective, shall be amount determined as per clause 11 above which shall be discharged and satisfied by AEKTA as follows :-

- (a) by issue and allotment to KPL and/or its nominees without further application 1,00,000 Equity Shares of Rs. 10/- each credited as fully paid up in AEKTA at a premium of Rs. 25/- per Share. Such shares shall rank pari passu in all respects with the existing equity shares of AEKTA.
 - (b) by payment of the balance of consideration so arrived at after deducting the face value of the shares with premium to be allotted under sub-clause (a) above in such manner and such rate of interest and within such period as may be mutually decided by KPL and AEKTA.
14. Upon the Scheme becoming effective and the transfer and vesting of TEXTILE unit to AEKTA, KPL shall take necessary steps for execution of agreements between KPL AEKTA and Financial institutions for recording transfer of credit facilities, creation/continuation of charges on the assets of TEXTILE UNIT for securing Term Loans pertaining to TEXTILE UNIT of KPL and retained by KPL. Aekta shall pay the consideration clause 13(b) above in such manner that the loan of Financial Institution in respect of Textile Unit of KPL is repaid as per the repayment Schedule and covenant agreed between KPL and Financial Institutions. All terms and conditions of the loan applicable to KPL will be binding on Aekta.
15. Even after the Effective Date, AEKTA shall be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the TEXTILE UNIT in the name of KPL in so far as may be necessary until the transfer of rights and obligations of KPL to AEKTA under this Scheme is formally accepted by the parties concerned.

PART - III

1. KPL and AEKTA shall make necessary applications and/or petitions before the Hon'ble High Courts at Calcutta and Delhi for holding meetings of the shareholders of KPL and AEKTA and for the sanction of this Scheme of Arrangement.
2. Save and except the TEXTILE UNIT and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and business of KPL which shall continue to belong to and vest in and be managed by KPL.
3. The Scheme is conditional upon and subject to the following :-
 - (a) The Scheme being approved by the respective requisite majorities of the members of KPL and AEKTA and it being sanctioned by the High Courts at Calcutta and Delhi.
 - (b) The approvals of the Industrial Finance Corporation of India Limited as the lead financial Institution of AEKTA and Industrial Development Bank of India as the lead financial Institution in respect of the said Textile Unit of KPL.
 - (c) The certified copies of the order of the High Courts at Calcutta and Delhi being filed with the Registrar of Companies, West Bengal and Delhi by both KPL and AEKTA.
4. In case any condition or alteration in the Scheme at any stage is suggested, by any authority or otherwise, the management of KPL and AEKTA will either mutually agree to suitable modification or if the Scheme can not be implemented without the above mentioned modification which is not acceptable to KPL or AEKTA then it will be Open to either party to withdraw from the Scheme.
5. All costs, charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidentals thereto including those incurred during negotiations leading to the Scheme to be borne equally by KPL and AEKTA.
6. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any person as to the construction hereof or as to any account, validation or apportionment to be taken or made of any asset or liability transferred under this Scheme as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Shri Pradip K. Khaitan, Advocate and in case of his inability to any Senior partner of Khaitan & Co. Advocates and Notaries, 9, Old Post Office Street, Calcutta-700 001 whose decision shall be final and binding on all concerned.
7. The scheme shall become effective on the effective date and Transfer of the Textile unit shall be made with retrospective effect from the Transfer Date.
8. In the event of the said sanctions and approvals not being obtained or complied with and of the Scheme not being sanctioned by the Hon'ble High Court and the order or orders not being passed by it as aforesaid before 31st December, 1994 or within such further period or periods as may be agreed to between KPL and AEKTA, this Scheme shall become null and void and in that event rights and liabilities, whatsoever, shall accrue to or be accrued inter-se the parties.

9. The Board of Directors of KPL and AEKTA or any person authorised by them may modify or assent on behalf of all concerned to any modification to this Scheme of Arrangement or to any condition which the Hon'ble High Court at Calcutta or Delhi or the Government or any other authority may impose or which the said Board of Directors may in their sole discretion think fit for the purpose of effectively carrying out this Scheme and the said Board of Directors may do all acts, things and deeds as may be necessary and/or expedient for the purpose of implementing this Scheme.

Schedule 'A' referred to herein above

Term Loan from :

1. Industrial Development Bank of India	Rs. 2,08,49,000/-
2. Industrial Reconstruction Bank of India	Rs. 1,06,44,100/-
	<u>Rs. 3,14,93,100/-</u>

J. Nandi
26/9/94
For Registrar.

Schedule 'B' above referred to

Schedule of Assets

Schedule of Assets of Textile Division of Kanoria Petropduct Limited, the Transferor Company to be transferred to and vested in the Transferee Company Aekta Limited as at 1st January, 1994.

Part - I

Short description of the free hold properties of the Transferor Company.

All Those pieces of land situated and lying in the Revenue Estate of Mullahera, Tehsil and District Gurgon, Haryana and as details hereunder :

Description	Khasra No.	Kanals	Marlas
Rect. No. 11	2	8	00
Khewat No. 82	3	8	00
104	4	8	00
115	5	3	01
116	6/1	0	03
	6/2	0	01
Khatuni No. 131	7	7	16
	8	8	00
Previously Khewat	9	8	00
No. 34 Khata	12	8	00
No. 78, 80, 81	13	8	00
	14	8	00
	15	2	00
	16	4	12
	17	8	00
Rect. No. 11	18/1	0	00
Khewat No. 17	18/2	7	12
15 (min)			
Khatuni No. 28	19/1	0	08
(Previously Khewat			
No. 15 Khata No. 29-33)			
Rect. No. 11	20/2	5	06

Part - II

Short description of freehold property of the Transferor Company

Nil

Part - III

Short descriptions of Stocks, Shares, Debenture and other Choses in action of the Transferor Company.

Shares:

- (i) 10 Equity Shares of Rs. 10/- each of Gurgoan Central Co-operative Consumer Stores Limited.

J. Nandi
26/9/94
For Registrar.

I do hereby Certify that this is the true copy of the original in my custody.

Dated this 28th day of September, 1994

Sd/- illegible

For Registrar of the High Court at Calcutta.
Original side.

- | | |
|---|---------|
| (i) Date when the decree of order was completed. | 27.9.94 |
| (ii) Date of application for copy | 7.9.94 |
| (iii) Date of notifying the requisite number of folios and stamp. | 27.9.94 |
| (iv) Date of delivery of the requisit folios and Stamp. | 27.9.94 |
| (v) Date on which the copy is ready for delivery. | 28.9.94 |
| (vi) Date when delivery was taken of the copy by the applicant | 28.9.94 |

Order of 6th September, 1994.

Filed this 27th September, 1994.

B. K. Chatterjee
Superintendent,
Company Matters Department

Sd/- illegible
Superintendent,
Copyists' Department,
High Court, O.S.
28.9.94

Advocate

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

COMPANY PETITION NO. 70/94 AND C.A. 975/94

CONNECTED WITH

COMPANY APPLICATION NO. 155/94

IN THE MATTER OF M/S KANORIA PETROPRODUCTS LTD.

HAVING ITS REGISTERED OFFICE AT

INDRAPRAKASH BUILDING,

21, BARAKHAMBA ROAD, NEW DELHI - 110 001.

AND

IN THE MATTER OF M/S AEKTA LIMITED

HAVING ITS REGISTERED OFFICE AT

6, LITTLE RUSSEL STREET,

CALCUTTA - 700 001.

BEFORE THE HON'BLE MR. JUSTICE V. B. BANSAL

DATED THIS THE 31ST DAY OF OCTOBER, 1994.

.... PETITIONER/

TRANSFEROR COMPANY

.... TRANSFEREE COMPANY

ORDER ON PETITION

The above petition coming on for hearing on 31-10-1994 upon reading the said petition the order dated 10-2-1994 in C.A. 155/94 whereby the above said petitioner company was ordered to convene meetings of its shareholders & creditors for the purpose of considering and if thought fit approving with or without modification, the Scheme of Arrangement proposed to be made between M/s Kanoria Petroproducts Ltd. (hereinafter referred to as the Transferor Company) and M/s Aekta Limited (hereinafter referred to as the Transferee Company) and annexed to the affidavit of Suraj Narayan Director of Petitioner Company filed in C.A 155/94 on 3-2-1994 and "Hindustan Times" (English) and "Punjab Kesari" (Hindi) both dated 3-3-1994 in C.A. 155/94, each containing the advertisement of said notices convening the said meetings directed to be held by the said order dated 10-2-1994 the affidavit of Shri Ram Hari Das, in C.A. 155/94 showing the publication and despatch of notices convening the said meetings. The reports of Chairpersons filed on 8-4-1994 & 11-4-1994 in, C.A. 155/94 as to the result of said meetings, and upon hearing Mr. Umesh Khaitan, Advocate for the Petitioner Mr. P. Chandra official liquidator and Mr. C.P.Sing Assistant Registrar of Companies and it appearing from the reports of the Chairpersons that the proposed Scheme of Arrangement has been approved unanimously by the said equity shares holders and unsecured creditors of Transferor Company present and voting in person or by proxy. The secured creditors of the Transferor Company having also filed their written Approval. The affidavit dated 4-7-1994 of Shri R.C.Nigam, Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of the Central Government inter-alia stating that the affairs of the Company do not appear to have been conducted in a manner prejudicial to the interest of its members or public interest. The Official Liquidator also having filed the affidavit on 1-7-1994 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interests of its share holders or creditors or to the public interest. The Calcutta High Court having also sanctioned the Scheme of Arrangement in respect of the Transferee company.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT set-forth in Schedule-I hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Company and the Transferee Company and its all concerned and doth approve the said Scheme of Arrangement from the Transfer Date i.e. 1-1-1994 (as mentioned in the Scheme).

THIS COURT DOTH FURTHER ORDER :

1. That all the property, rights and powers of the Textile Unit of the Transferor company specified in the first, second and third parts of the Schedule hereto and all other property rights and powers of the Textile unit of the Transferor Company be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for the all the estate and interest of Textile unit of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties of the Textile unit of the Transferor company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all proceedings now pending by or against the Textile unit of the Transferor company be continued by or against the Transferee Company; and
4. That the Transferee company do without further application allot to the Transferor Company and its nominees the shares in the Transferee company to which it is entitled under the said Scheme of arrangement; and
5. That the Transferor company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

BETWEEN
KANORIA PETROPRODUCTS LIMITED

AND

AEKTA LIMITED

PART - I

1. DEFINITIONS :

In this Scheme unless Repugnant to the meaning or context thereof, the following expression shall have the following meanings :

- A. "The Act" means the Companies Act 1956.
- B. "The Transfer Date" means 1st day of January, 1994.
- C. "The Effective Date" means the day on which the last of the approvals specified in Clause 3 of Part III of this Scheme shall have been obtained.
- D. "The Scheme" means this Scheme of Arrangement in its present form or with any modification as approved, imposed or directed by the Hon'ble High Courts at Calcutta and Delhi.
- E. "KPL" means Kanoria Petroproducts Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Indra Prakash", 21, Barakhamba Road, New Delhi - 110001.
- F. "AEKTA" means AEKTA Limited, a company incorporated under the Companies Act, 1956 having its registered office at 6, Little Russel Street, Calcutta-700 071 in the State of West Bengal.
- G. "TEXTILE UNIT" means the Textile Unit of KPL established for manufacture, inter alia, of textile yarn at Gurgaon, Haryana and shall mean and include all the undertaking, properties and liabilities of such division and forming part of the undertaking of KPL and more precisely :-
 - (a) all properties and assets, moveable and immovable, real and personal, corporeal and incorporeal, in possession or in reversion, present and contingent of whatsoever nature, wheresoever situate, as on the Transfer Date including all lands measuring in approximately 149 Kanals 8 Marlas at Gurgaon, Haryana, buildings, plant and machinery, vehicles, equipments, furniture, sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposit, loans and advances as appearing in the books of account of KPL and appertain to such division, leases, tenancy rights, and agency of KPL pertaining to such division and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlement, industrial and other licences, registrations, quotas, trade marks, patents, copyrights, liberties, easements and advantages of all pending contracts, inter alia, to land, building and plant and machinery appertaining to such division and/or to which KPL is entitled to in respect of the said division of whatsoever kind, nature or description held, applied for or as may be obtained thereafter or to which KPL is entitled to in respect of the said division together with the benefits of all contracts and engagements and all books, papers, document and records relating to the said division, and the export orders in hand for export of Yarn/Cloth as on the Transfer Date and
 - (b) all debts, liabilities, duties and obligations of KPL pertaining to and/or arising out of the said division whether existing, future or contingent of whatsoever nature and whether or not provided for in the books of accounts of KPL as on the Transfer Date as appearing in the books of Accounts of KPL and appertaining to the said division, including liabilities on account of unsecured loans, sundry creditors, bonus, sales-tax, excise and other taxation and contingent liabilities, whether existing or future of whatsoever nature and whether or not provided for in the books of account of KPL as herein stated in part II excepting those mentioned in Schedule 'A' hereinafter written.
 - (c) All permanent employees of KPL engaged in or in relation with such division at its factory and branch and other offices.
- II. "The said Agreement" means the agreement dated 22nd September, 1992 and the supplemental agreement dated 6th April, 1993 made between KPL and AEKTA for the purpose of operating and running the Textile unit for five years effective from 1st October, 1992.

WHEREAS :

1. KPL is having, inter alia, a Nylon Monomer Casting and Technical Monofilament Yarn Division at Shahibabad Dist. Ghaziabad (U.P) for manufacture of Nylon Castings and Monofilament Yarn for various applications and a Textile Division at Gurgaon, Haryana for manufacture of Yarn and cloth and KPL needs additional long term working capital finance for its Monomer Casting Division and to enable KPL to provide adequate and timely resources for working capital requirement of its Monomer Casting Divisions it is considered advisable to reorganise the business of KPL by transfer of TEXTILE UNIT to a separate company which would independently finance the capital investment needed for modernisation of TEXTILE UNIT and enable KPL to procure finance for its monomer casting Division. TEXTILE UNIT has good prospects for growth and development upon modernisation/expansion which requires induction of substantial finance which can be more conveniently and adequately raised in a separate Company.
2. AEKTA is presently engaged in the production of jute goods at its Ludlow Jute mills at Chengail, Howrah and production of Cotton Yarn at TEXTILE Mills at Gurgaon, Haryana. Aekta is running the said unit as Licensee and is willing to take over the TEXTILE UNIT before the expiry of the term of the said agreement with which it has synergy and has the necessary finance and resources to modernise and expand the business of TEXTILE UNIT.
3. Under the said agreement AEKTA had the option to acquire the TEXTILE unit at the expiry of its terms at the price mentioned in the said agreement.
4. Under this Scheme of Arrangement it is proposed to transfer TEXTILE UNIT to AEKTA in the manner and on the terms and conditions stated herein. The Scheme will enable KPL to reduce the pressure on its liquidity and smoothly operates its Nylon Monomer Casting and Monofilament Yarn Divisions and will enable AEKTA to acquire TEXTILE UNIT and to modernise and expand the same. The Scheme will result in independent growth and expansion of the respective business of the Companies concerned and will facilitate greater focus on the operations of the various divisions of the companies to improve their profit potential.

PART - II

1. The Scheme although operative from the Transfer Date shall become effective from the Effective Date.
2. With effect from the Transfer Date, TEXTILE UNIT shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vest in or be deemed to have been transferred to and vested in AEKTA for all the estate and interest of KPL therein subject to all existing charges, mortgages and encumbrances, if any, affecting the same or any part thereof.
3. All debts, liabilities and obligations of KPL relating to TEXTILE UNIT as defined in Part I except those mentioned in Schedule 'A' as on the close of business on the day immediately preceding the Transfer Date, whether existing future or contingent and whether provided for or not in the books of account of KPL and all other liabilities relating to TEXTILE UNIT which may accrue or arise after the Transfer Date but which relate to the period up to the day immediately preceding the Transfer Date shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the debts, liabilities, duties and obligations of AEKTA and AEKTA undertakes to meet, discharge and satisfy the same to the exclusion of KPL.
4. AEKTA will indemnify and keep KPL indemnified from and against all the liabilities, claims, duties and obligations of KPL appertain to TEXTILE UNIT transferred to AEKTA as aforesaid.
5. AEKTA undertakes to have all legal or other proceedings pending by or against KPL as on the Effective Date and relating to TEXTILE UNIT (including those relating to any property, right, power, liability or duty of KPL in respect of TEXTILE UNIT) transferred in its names and to have the same continued prosecuted and enforced by or against AEKTA to the exclusion of KPL, AEKTA also undertakes to deal with all legal or other proceedings which may be started by or against KPL after the Effective Date relating to TEXTILE UNIT in respect of the period upto the day immediately preceding the Transfer Date, Aekta further undertakes to reimburse to KPL all amounts which KPL may be called upon to pay or secure in respect of any liability or obligation relating to TEXTILE UNIT for the period up to the day immediately preceding the Transfer Date and the costs incurred by KPL in respect of any proceeding instituted by or against KPL for the period upto the day immediately preceding the Transfer Date at any time after the said date, on submission of necessary evidence by KPL to AEKTA in respect of the assets and liabilities taken over by AEKTA.
6. KPL shall have right to process and/or produce Textile Yarn and Fabrics at TEXTILE UNIT and/or AEKTA shall process and/or produce Textile Yarn and Fabrics on behalf of KPL as may be required by KPL from time to time and AEKTA shall be under an obligation to process and/or produce the said Textile Yarn and Fabrics from own raw material either supplied by KPL or using its own material on priority conditions or such times as may be mutually agreed upon from time to time.
7. With effect from the Transfer Date and upto and including the Effective Date :
 - (a) KPL shall be deemed to have been carrying on and to be carrying on all business activities relating to TEXTILE UNIT and shall be deemed to have held and stand possessed of the properties so to be transferred to AEKTA for and on account of and in trust for AEKTA.

- (d) KPL may in consultation with AEKTA dispose of any machinery or equipment at TEXTILE UNIT as may be considered expedient and the consideration mentioned herein shall be adjusted on mutually agreed terms.
- (e) KPL may borrow further moneys and create any charge on the fixed assets at TEXTILE UNIT for term loans for financing the modernisation programme of Textile Unit and if the loans are agreed to be provided to AEKTA, KPL will create the necessary charge and provide such guarantees as may be required on mutually agreed terms.
- (f) Save as aforesaid, KPL shall carry on the business of TEXTILE UNIT till the Effective date in the ordinary course of business and shall not without prior written consent of AEKTA alienate, charge or otherwise deal with or dispose of any assets of TEXTILE UNIT EXCEPT in the usual course of business nor utilise the profits, if any, relating to TEXTILE UNIT from the Transfer Date for the purpose of declaring or paying any dividend.
8. (a) AEKTA undertakes to engage, on and from the Effective Date, all the permanent employees of KPL engaged in TEXTILE unit on the same terms and conditions on which they are engaged on the Effective Date by KPL without any interruption of service as a result of the transfer. AEKTA agrees that the services of all such employees with KPL up to the Effective Date shall be taken into account for the purpose of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
- (b) The accumulated balances, if any, standing to the credit of the employees and officers of TEXTILE UNIT in the existing Provident Fund, Gratuity Fund and Superannuation Fund of which they are members will be transferred to such provident Fund, Gratuity Fund and Superannuation Fund nominated by AEKTA and/or such new funds to be established and caused to be recognised by the concerned authorities by AEKTA. Pending the transfer as aforesaid, the Provident, Gratuity and superannuation dues of the said employees and officers of TEXTILE UNIT would be continued to be deposited in the existing Provident, Gratuity and Superannuation Funds respectively.
- (c) AEKTA undertakes to pay, discharge and satisfy all debts, liabilities, duties and obligations of KPL relating to TEXTILE UNIT as on the close of business on the day immediately preceding the Transfer date and all liabilities debts, duties, obligations relating to TEXTILE UNIT which may accrue or arise after the Transfer Date but which relates to the period prior to the Transfer Date.
9. The transfer and vesting of the properties and liabilities of TEXTILE UNIT under clause 2 hereof and the continuance of the proceedings by or against AEKTA under clause 5 hereof shall not affect any transaction or proceeding already completed by KPL on and after the Transfer Date to the end and intent that AEKTA accepts all acts, deeds and things done and executed by and/or on behalf of KPL as acts, deeds and things done and executed by and on behalf of AEKTA.
10. Subject to other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to TEXTILE UNIT to which KPL is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of AEKTA and may be enforced as fully and effectively if instead of KPL, AEKTA had been a party thereto.
11. For the purpose of this Scheme, the consideration shall be determined by valuing the difference between Assets and Liabilities of the Textile Division of KPL taken over by Aekta at the values appearing in the books of Textile Division of KPL immediately before the date preceding the date of transfer. For the purpose of this Scheme, a statement of Account as on the date immediately preceding the transfer date shall be drawn up in respect of the assets, properties, debts, liabilities, duties and obligations of the Textile Unit to be transferred as per this Scheme. The said statement of Accounts shall be drawn up on the basis of the books of accounts of KPL relating to the textile unit as on the day immediately preceding the transfer date as audited by Auditors of KPL at the values as appearing in the books of accounts of the Textile Division of KPL as on the day immediately preceding the transfer date and shall be reflected in the books of account of Aekta at the values as aforesaid.
12. The said agreement shall be terminated upon the Scheme becoming effective with effect from the transfer date and all monies paid as deposit, additional deposit, security deposit and the monthly operating fees paid for the period starting from the transfer date to the effective date and/or any other payments made would be adjusted from the consideration payable as above.
13. The consideration, for the transfer and vesting of TEXTILE UNIT to AEKTA pursuant to clause 2 hereof and upon the Scheme becoming effective, shall be amount determined as per clause 11 above which shall be discharged and satisfied by AEKTA as follows :-
- (a) by issue and allotment to KPL and/or its nominees without further application 1,00,000 Equity Shares of Rs. 10/- each credited as fully paid up in AEKTA at a permanent of Rs. 25/- per Share. Such shares shall rank pari passu in all respects with the existing equity shares of AEKTA.

- (b) by payment of the balance of consideration so arrived at after deducting the face value of the shares with premium to be allotted under sub-clause (a) above in such manner and such rate of interest and within such period as may be mutually decided by KPL and AEKTA.
14. Upon the Scheme becoming effective and the transfer and vesting of TEXTILE unit to AEKTA, KPL shall take necessary steps for execution of agreements between KPL AEKTA and Financial Institutions for recording transfer of credit facilities, creation/continuation of charges on the assets of TEXTILE UNIT for securing Term Loans pertaining to TEXTILE UNIT of KPL and retained by KPL. Aekta shall pay the consideration clause 13(b) above in such manner that the loan of Financial Institution in respect of Textile Unit of KPL is repaid as per the repayment Schedule and covenant agreed between KPL and Financial Institutions. All terms and conditions of the loan applicable to KPL will be binding on Aekta.
 15. Even after the Effective Date, AEKTA shall be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the TEXTILE UNIT in the name of KPL in so far as may be necessary until the transfer of rights and obligations of KPL to AEKTA under this Scheme is formally accepted by the parties concerned.

PART - III

1. KPL and AEKTA shall make necessary applications and/or petitions before the Hon'ble High Courts at Calcutta and Delhi for holding meetings of the shareholders of KPL and AEKTA and for the sanction of this Scheme of Arrangement.
2. Save and except the TEXTILE UNIT and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and business of KPL which shall continue to belong to and vest in and be managed by KPL.
3. The Scheme is conditional upon and subject to the following :—
 - (a) The Scheme being approved by the respective requisite majorities of the members of KPL and AEKTA and it being sanctioned by the High Courts at Calcutta and Delhi.
 - (b) The approvals of the Industrial Finance Corporation of India Limited as the lead financial Institution of AEKTA and Industrial Development Bank of India as the lead financial Institution in respect of the said Textile unit of KPL
 - (c) The certified copies of the order of the High Courts at Calcutta and Delhi being filed with the Registrar of Companies, West Bengal and Delhi by both KPL and AEKTA.
4. In case any condition or alteration in the Scheme at any stage is suggested, by any authority or otherwise, the management of KPL and AEKTA will either mutually agree to suitable modification or if the Scheme can not be implemented without the above mentioned modification which is not acceptable to KPL or AEKTA then it will be Open to either party to withdraw from the Scheme.
5. All costs, charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidentals thereto including those incurred during negotiations leading to the Scheme to be borne equally by KPL and AEKTA.
6. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any person as to the construction hereof or as to any account, validation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Shri Pradip K. Khaitan, Advocate and in case of his inability to any Senior partner of Khaitan & Co. Advocates and Notaries, 9, Old Post Office Street, Calcutta-700 001 whose decision shall be final and binding on all concerned.
7. The scheme shall become effective on the effective date and Transfer of the Textile unit shall be made with retrospective effect from the Transfer Date.
8. In the event of the said sanctions and approvals not being obtained or complied with and of the Scheme not being sanctioned by the Hon'ble High Court and the order or orders not being passed by it as aforesaid before 31st December, 1994 or within such further period or periods as may be agreed to between KPL and AEKTA, this Scheme shall become null and void and in that event rights and liabilities, whatsoever, shall accrue to or be accrued inter-se the parties.
9. The Board of Directors of KPL and AEKTA or any person authorised by them may modify or assent on behalf of all concerned to any modification to this Scheme of Arrangement or to any condition which the Hon'ble High Court at Calcutta or Delhi or the Government or any other authority may impose or which the said Board of Directors may in their sole discretion think fit for the purpose of effectively carrying out this Scheme and the said Board of Directors may do all acts, things and deeds as may be necessary and/or expedient for the purpose of implementing this Scheme.

J. Nandi
26/9/94
For Registrar.

Schedule 'B' above referred to

Schedule of Assets

Schedule of Assets of Textile Division of Kanoria Petroporduct Limited, the Transferor Company to be transferred to and vested in the Transferee Company Aekta Limited as at 1st January, 1994.

Part - I

Short description of the free hold properties of the Transferor Company.

All Those pieces of land situated and lying in the Revenue Estate of Mullahera, Tehsil and District Gurgon, Haryana and as details hereunder :

Description	Khasra No.	Kanals	Marlas
Rect. No. 11	2	8	00
Khewat No. 82	3	8	00
104	4	8	00
115	5	3	01
116	6/1	0	03
	6/2	0	01
Khatuni No. 131	7	7	16
	8	8	00
Previously Khewat	9	8	00
No. 34 Khata	12	8	00
No. 78, 80, 81	13	8	00
	14	8	00
	15	2	00
	16	4	12
	17	8	00
Rect. No.11	18/1	0	00
Khewat No. 17	18/2	7	12
15 (min)			
Khatuni No. 28	19/1	0	08
(Previously Khewat			
No. 15 Khata No. 29-33)			
Rect. No. 11	20/2	5	06
Khawat No. 82			
Khatuni No. 131	21/1	7	19
(Previously Khewat No.			
44 Khata No. 105)			
Rect. No. 11			
Khewat No. 17.15 min.			
Khatuni No. 30	23	8	00
(Previously Khewat No.			
15 Khata No. 31)			
Rect. No.11			
Khawat No. 17.15 min)	24	8	00
Khatuni No. 29			
(Previously Khewat No.			
15/5 Khata No. 33)	25/1	4	10
Rect. No. 14	1/1	1	02

Khewat No. 82
Khatuni No. 131
(Previously Khewat
No. 44, Khata No.105)

1/2	6	18
10/2 (min)	4	10
	144	06

All that plot of land situated and lying in the Revenue Estate of Dundhera, Tehsil and District Gurgaon, Haryana and detailed as hereunder :

<u>Description</u>	<u>Area Khasra No.</u>	<u>Kanals</u>	<u>Marlas</u>
Rect. No. 50 (Khewat No. 156,159 min. Khatuni No. 287) (Previously Khewat No. 136 Khata No. 302)	16/1 (min)	0	08
TOTAL :		144	14

In which the following are situated and lying.

1. Staff Quarters (2 Room Flats)
2. Factory Building
3. Time & Security Office Car Shed
4. Cotton Godowns
5. Administrative
6. Workshop
7. Rest Room
8. Waste Room
9. Club House
10. Dispensary
11. Canteens
12. Single Room Unit Single Storey Labours Quarters
13. Single Room Units.

Part - II

Short description of freehold property of the Transferor Company

Nil

Part - III

Short descriptions of Stocks, Shares, Debenture and other Choses in action

Shares :

- (i) 10 Equity Shares of Rs. 10/- each of Gurgaon Central Co-operative Consumer Stores Limited.

National Savings Certificate :

- (i) 7 Years National Savings Certificate for face value of Rs.200/-

Given under my hand and seal of the Court this 31st day of October, 1994

(By order of the Court)

Sd/- illegible
Registrar

IN THE HIGH COURT AT CALCUTTA

(Original Jurisdiction)

Company Petition No. 239 of 1997

Connected with

Company Application No. 177 of 1997

Seal/

President of the Union of India

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER of an application under Sections 391(2) and 394 of the said Act.

AND

IN THE MATTER of Aekta Limited a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at 6, Little Russell Street, Calcutta - 700 071 within the aforesaid jurisdiction.

AND

IN THE MATTER of Kirtivardhan Finvest Services Private Ltd. a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 302, Central Plaza, 2/6, Sarat Bose Road, Calcutta - 700 020 within the aforesaid jurisdiction.

1. Aekta Limited
2. Kirtivardhan Finvest Services Private Ltd.

– Petitioners

The Honourable Mr. Justice
Sujit Kumar Sinha

The above petition coming on for hearing on this day and upon reading of the said petition the order dated the seventeenth day of March in the year one thousand nine hundred and ninety seven the abovenamed petitioner No.1 Aekta Limited (hereinafter referred to as AL) and the abovenamed petitioner No.2 Kirtivardhan Finvest Services Private Limited (hereinafter referred to as KFSPL) were ordered to convene separate meetings of the equity shareholders of the said 'AL' and 'KFSPL' for the purpose of considering and if thought fit approving with or without modification the Scheme of Arrangement proposed to be made between the said 'AL' and 'KFSPL' and their shareholders and annexed to the joint affidavit of Pankaj Kumar Agarwal and Narendra Kumar Sethia filed on the seventh day of March in the year one thousand nine hundred and ninety seven. The Financial Express and the 'Pratidin' both dated the seventeenth day of April in the year one thousand nine hundred and ninety seven containing the advertisement of the said notices convening the said meetings directed to be held by the said order dated the

Kumar Agarwal and Narendra Kumar Sethia filed on the seventh day of May in the year one thousand nine hundred and ninety seven showing the publication and despatch of the said notices convening the said meetings, the reports of the chairpersons of the said meetings both dated the twenty first day of May in the year one thousand nine hundred and ninety seven as to the result of the said meetings And upon reading on the part of the petitioner companies an affidavit of Nanku Tewari filed on the first day of July in the year one thousand nine hundred ninety seven and the exhibits therein referred to And upon reading the order made herein and dated the eleventh day of June in the year one thousand nine hundred and ninety seven And upon hearing Mr. S. N. Mookherjee (Mr. A. Ghosh Mr. P. Jalan, Mr. A. Agarwal and Mr. T. Khaitan appearing with him) advocate for the petitioner companies and Mr. S. K. Kundu advocate for the Central Government and it appearing from the said reports that the proposed scheme of Arrangement has been approved unanimously except for one shareholder who has not come to court and this application is treated to have

one thousand nine hundred and ninety seven (hereinafter referred to as the said appointed date) on the said 'AL' and 'KFSPL' and their shareholders and all concerned.

THIS COURT DOTH ORDER :

1. That all the property rights and power of 'AL' relating to the Textile Unit including these specified in the first second and third parts of the schedule 'B' hereto be transferred from the said appointed date and vest without further act or deed in the said 'KFSPL' and accordingly the same shall pursuant to section 394(2) of the Companies Act 1956 be transferred to and vest in the said 'KFSPL' for all the estate and interest of 'AL' therein but subject nevertheless to all charges now affecting the same and
2. That all the debts liabilities duties and obligation of the said 'AL' in/or relating to the Textile Unit be transferred from the said appointed date without further act or deed to the said 'KFSPL' and accordingly the same shall pursuant to Section 394(2) of the Companies Act 1956 be transferred to and become the debts liabilities duties and obligations of 'KFSPL' and
3. That all proceedings and/or suits and/or appeals now pending by or against 'AL' in respect of the Textile Unit shall be continued by or against the 'KFSPL' and
4. That the said 'KFSPL' do issue and allot to the shareholders of 'AL' the shares in 'KFSPL' to which they are entitled under clause 9 of Part-II of the Scheme of Arrangement and
5. That leave be and the same is hereby granted to the petitioner companies to file the schedule of assets of the 'AL' in respect of Textile Unit as stated in paragraph 20 of the petition within a period of three weeks from the date hereof and
6. That the said 'AL' and 'KFSPL' do within a period of thirty days from the date hereof cause a certified copy of this order to be delivered to the Registrar of Companies West Bengal for registration and
7. That any person interested shall be at liberty to apply before this court in the above matter for such directions that may be necessary and
8. That this court doth not think fit to make any order as to costs of and incidental to this application and
9. That this application be and the same is hereby disposed of accordingly and
10. That all parties concerned do act on a copy of the minutes of this order duly signed by an officer of this court being served on them.

Witness Shri Prabha Shanker Mishra Chief Justice at Calcutta aforesaid this twentyfifth day of November in the year one thousand nine hundred and ninety seven.

Khaitan & Co., Advocates.

S. K. Kundu... Advocate

I.S. Hafesjee
22.12.97
For Registrar.

AEKTA LIMITED

AND

KIRTIVARDHAN FINVEST SERVICES PRIVATE LTD.

AND

THEIR RESPECTIVE SHAREHOLDERS

Part - I

1. DEFINITIONS :

In this Scheme unless repugnant to the meaning or context thereof the following expressions shall have the following meanings.

A. "The Act" means the Companies Act 1956.

B. "The Appointed date" means the Commencement of business on the 1st day of April, 1997.

C. "AL" means Aekta Limited a company incorporated under the provisions of the companies Act 1956 having its registered office at 6, Little Russel Street Calcutta - 700 071 in the State of West Bengal.

D. "KFSPL" means Kirtivardhan Finvest Services Private Ltd. a company incorporated under the provisions of the Companies Act 1956 having its registered office at 302, Central Plaza, 2/6 Sarat Bose Road Calcutta - 700 020 in the State of West Bengal.

E. "Textile Unit" means the Textile Unit of 'AL' and includes all the business undertaking properties and liabilities of 'AL' pertaining to the Textile Unit including.

(a) all properties and assets moveable and immovable real and personal corporeal and incorporeal in possession or in reversion, freehold or leasehold, present and contingent of whatsoever nature, wheresoever situate, as on the Appointed Date including all lands measuring 144 Kanals 14 Marlas at Gurgaon in the State of Haryana, building, furniture and fittings, Sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances as appearing in the books of account of AL and appertaining to the Textile Unit, all interests or rights in or arising out of or relating to the Textile Unit together with all rights, powers, interests, charges, privileges, benefits, entitlement, industrial and other licences registrations, quotas, trade marks, patents copy rights liberties, easements and advantages appertaining to the Textile Unit and/or to which AL is entitled to in respect of the Textile Unit of whatsoever kind nature or description held applied for or as may be obtained hereafter together with the benefit of all contracts and engagements and all books papers documents and records relating to the Textile Unit and

(b) all debts, liabilities, duties and obligations of AL pertaining to and/or arising out of the Textile Unit including liabilities on account of secured loans taken from Financial Institutions and Banks Sundry Creditors and Sales tax excise and cess duty on textile goods.

Whereas

1. AL is presently engaged in the business of manufacture and sale of jute goods and products through its Jute Unit, namely Ludlow Jute Mills situated at Chengail, Howrah in the State of West Bengal. Although AL had also been engaged in the business of manufacture and Sale of Cotton Yarn and Products through its said Textile Unit situated at Gurgaon in the State of Haryana the operation of the Textile Unit was discontinued from December 1995 owing to adverse market conditions and uneconomical working thereof. The Textile Unit is thus at present lying closed with the workers engaged in the manufacturing therein having taken retirement voluntarily. However the land together with other properties comprised in the Textile Unit have also the potential for being exploited commercially.

2. For the optimum growth and development of the said businesses as also effective utilisation of the said properties of AL, it is considered desirable and expedient to reorganise and reconstruct AL by transferring the Textile Unit of AL to KFSPL in the manner and on the terms and conditions set out in this scheme of Arrangement.

3. The arrangement will allow KFSPL to undertake new business suitably with the said land and properties comprised in the Textile Unit and enable the said jute business and new business to be carried on respectively by AL and KFSPL more conveniently and advantageously and with greater focus and attention. The arrangement will have beneficial results for both companies their shareholders and all concerned.

Part - II

1. With effect from the Appointed date and Textile Unit shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vest in and be deemed to have been transferred to and vested in KFSPL for all the estate and interest of AL, therein subject however to all charges liens, lispendens, mortgages and encumbrances if any affecting the same or any part thereof.

2. All debts, liabilities, duties and obligations of AL relating to the Textile Unit as on the close of business on the day immediately preceding the Appointed Date and all other liabilities of AL relating to the Textile Unit which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall become the debts liabilities duties and obligations of KFSPL and KFSPL undertakes to meet discharge and satisfy the same to the exclusion of AL and to keep AL indemnified at all times from and against all such debts liabilities duties and obligations and from and against all actions demands and proceedings in respect thereto.

3. (a) KFSPL undertakes to engage all the employees of AL engaged in the Textile Unit on the same terms and conditions on which they are engaged by AL without any interruption of service as a result of the transfer of the Textile Unit to KFSPL, KFSPL agrees that the services of all such employees with AL prior to such transfer shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and

(b) The accumulated balances if any standing to the credit of the employees of the Textile Unit in the existing funds of which they are members will be transferred to such funds as are to be recognised by the concerned authorities on application by KFSPL pending the transfer as aforesaid the dues of the said employees of the Textile Unit would be continued to be deposited in the existing respective Funds.

4. All legal and/or other proceedings by or against AL and relating to the Textile Unit shall be continued and enforced by or against KFSPL only.

5. With effect from the Appointed Date and upto and including the date on which the Textile Unit is duly transferred to KFSPL as provided herein

(a) AL undertakes to carry on the business of the Textile Unit enter into any arrangements and/or any other activities as may be desired by KFSPL there at in the ordinary course of business and AL shall be deemed to have carried on and to be carrying on all business and activities relating to the Textile Unit for and on account of and in trust for KFSPL.

(b) All profits accruing to AL or losses arising or incurred by it relating to the Textile Unit and/or any other activities as may be desired by KFSPL there at for the period falling on and after the Appointed Date shall for all purposes be treated as the profits or losses as the case may be of KFSPL and AL undertakes not to utilise the profits, if any relating to the Textile Unit for the purpose of declaring or paying any dividend in respect of the period falling on and after the Appointed Date.

(c) AL shall be deemed to have held and stood possessed of the properties so to be transferred to KFSPL for and on account of and in trust for KFSPL and accordingly AL shall not (without the prior written consent of KFSPL) alienate charge or otherwise deal with or dispose off the Textile Unit or any part thereof except in the usual course of business.

6. The transfer and vesting of the properties and liabilities of the Textile Unit under clause I hereof and the continuance of the proceedings by or against KFSPL under clause 4 hereof shall not affect any transaction or proceeding already completed by AL on and after the Appointed Date to the end and Intent that KFSPL accepts all acts deeds and things done and executed by and/or on behalf of AL as acts deeds and things done and executed by and on behalf of KFSPL.

7. Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements insurance policies and other instruments of whatsoever nature relating to the Textile Unit to which AL is a party subsisting or having effect immediately before this Scheme becomes operative shall remain in full force and effect against or in favour of KFSPL and may be enforced as fully and effectually as if instead of AL, KFSPL had been a party thereto.

8. For the purposes of this Scheme a statement of Account as on the date preceeding the Appointed Date shall be drawn up in respect of the assets and liabilities of the Textile Unit to be transferred to KFSPL as per this scheme. The said Statement of Account shall be drawn up on the basis of the

9. Upon the transfer and vesting of the Textile Unit to KFSPL taking place pursuant to clauses 1 and 2 hereof and upon the scheme becoming effective KFSPL shall issue and allot without further application to the members of AL 1 (one) equity share of Rs.10/- each in KFSPL credited as fully paid up for every 5 (five) equity shares of Rs. 10/- each held by them in AL.

10. (a) The equity shares in KFSPL to be issued and allotted to the members of AL as per clause as I above shall rank pari passu in all respects with the existing equity shares of KFSPL and shall carry all the rights and privileges that were attached to the shares of AL prior to the allotment of such shares in KFSPL.

(b) No fractional certificates shall be issued by KFSPL in respect of the fractional entitlements if any, to which the members of AL may be entitled to under the Scheme. All such fractional entitlements shall be consolidated into whole shares and be allotted to one of the directors or officers of KFSPL as a Trustee for sale thereof to such persons and at such price as may be approved by the Board of Directors of AL in this regard and for payment of the net proceeds to the persons entitled thereto after such sale in proportion to their respective fractional entitlements.

11. After this Scheme becomes operative KFSPL shall also be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the Textile Unit in the name of AL in so far as may be necessary.

Part - III

1. AL and KFSPL shall make necessary applications before the Hon'ble High Court at Calcutta for the sanction of this Scheme of Arrangement.

2. Save and except the Textile Unit of AL and as expressly provided in this scheme of Arrangement nothing contained in this scheme of Arrangement shall affect the rest of the assets and liabilities of AL which shall continue to belong to and be vested in and be managed by AL.

3. AL and KFSPL will take the approvals of the Financial Institutions, Banks and others, wherever necessary for the implementation of the Scheme.

4. AL and KFSPL (through their respective Board of Directors) and in their full and absolute discretion may assent to any alteration or modification to this Scheme which the courts and/or any other Authority may deem fit to approve or impose and may further give such directions as they may consider necessary to settle any question or difficulty arising under this scheme or in any manner connected therewith.

5. The Scheme is conditional upon and subject to the following.

(a) The Scheme being approved by the respective requisite majorities of the members of AL and KFSPL and it being sanctioned by the Hon'ble High Court at Calcutta.

Authorised share capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.

7. AL and/or KFSPL shall each be at liberty to withdraw from this scheme of Arrangement in case any condition or alteration imposed by any authority is unacceptable to them.

8. All costs charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidentals thereto including those incurred during negotiations leading to the Scheme shall be borne equally by AL and KFSPL.

9. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders creditors employees and/or any other person as to the construction hereof or as to any account valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme the same shall be referred to Mr. P. K. Khaitan Advocate of 9, Old Post Office Street, Calcutta-700 001 and failing him such other person as is mutually agreed between AL and KFSPL, whose decision shall be final and binding on all concerned.

I. S. Hafesjee
22.12.97
For Registrar.

Schedule B' above referred to Schedule of Assets of Aekta Ltd. (hereinafter referred to as the transferor company to be transferred to Kirtivardhan Finvest Services Private Ltd.

PART - I

Short description of the freehold properties of the transferor company.

All those pieces of land situated and lying in the Revenue Estate of Mullahera Tehsil and District Gurgaon, Haryana and as details hereunder.

Khewat No.	Khatuni No.	Khasra No.	Kanals	Marlas
(A) 96/88	139	11/2	8	00
96/88	139	3	8	00
96/88	139	4	8	00
96/88	139	5	3	01
96/88	139	6/1	0	03
96/88	139	7	7	16
96/88	139	8	8	00
96/88	139	9	8	00
96/88	139	12	8	00
96/88	139	13	8	00
96/88	139	14	8	00

Khewat No.	Khatuni No.	Khasra No.	Kanals	Marlas
96/88	139	15	2	00
96/88	139	16	4	12
96/88	139	17	8	00
96/88	139	18/1	0	08
96/88	139	20/2	5	06
96/88	139	21/1	7	19
96/88	139	14/1/2/1/2	4	09
96/88	139	10/2/1/2	7	00
96/88	139	1/1	1	02
Total (A)			112	76
Note : 1 Kanal = 20 marlas i.e. 115			16	
(B) 26/22	34	11/18/2	7	12
26/22	34	19/1	0	08
Total (B)			7	20
i.e.			8	00
(C) 26/22	35	11/24	8	00
26/22	35	25/1	4	10
Total (C)			12	10
(D) 26	36	11/23	8	00
Total (D)			8	00
Total of Mullaheera Tehsil		(A)	115	16
		(B)	8	00
		(C)	12	00
		(D)	8	00
Grand Total			143	26
i.e.			144	06

All that plot of land situated and lying in the Revenue Estate of Dundhera Tehsil and District Gurgaon, Haryana and detailed as hereunder :

Khewat No.	Khatuni No.	Khasra No.	Kanals	Marlas
50	136/287	16/1	0	08
Total			0	08
Total of Mullaheera Tehsil			144	06
Total of Dundhera Tehsil			0	08
Grand Total			144	14

In which the following are situated and lying :

1. Staff Quarters (2 Room Flats)
2. Factory Building.
3. Time & Security Office Carshed.
4. Cotton Godowns.
5. Administrative
6. Work shop
7. Rest Room
8. Waste Room
9. Club House
10. Dispensary
11. Canteens

Part - II

Short description of leasehold property of the transferor company.

Nil

Part - III

Short description of stocks, shares, debentures and other choses in action of the transferor company.

Nil

I. S. Hafesjee
22.12.97
For Registrar.

- | | |
|--|----------|
| (i) Date when the decree or order was completed | 07.01.98 |
| (ii) Date of application for copy | 25.11.97 |
| (iii) Date of notifying the requisite number of folios and stamp | 08.01.98 |
| (iv) Date of delivery of the requisite folios and stamp | 08.01.98 |
| (v) Date on which the copy is ready for delivery | 15.01.98 |
| (vi) Date when delivery was taken of the copy by the applicant | 15.01.98 |

Order of the 25th day November, 1997

Filed this 7th day of January, 1998

S/d B. K. Chatterjee
Superintendent,
Department

Company Matters

Superintendent,
Copyists' Department,
High Court, O. S.

Khaitan & Co.
Attorney

Company Petition No. 120 of 2003
Connected with
Company Application No. 1 of 2003
In the High Court at Calcutta
Original Jurisdiction

In the Matter of :

The Companies Act, 1956

And

In the Matter of :

An application under sections 391(2) and 394 of
the said Act;

And

In the Matter of :

Aekta Limited, a Company incorporated under the
provisions of the Companies Act, 1956 having its
Registered Office at KCI Plaza, 1st Floor, 23C,
Ashutosh Chowdhary Avenue, Kolkata 700 019,
within the aforesaid jurisdiction.

And

In the Matter of :

Ludlow Securities Limited, a Company
incorporated under the provisions of the
Companies Act, 1956 having its Registered Office
at KCI Plaza, 1st Floor, 23C, Ashutosh Chowdhary
Avenue, Kolkata 700 019, within the aforesaid
jurisdiction.

1. Aekta Limited

2. Ludlow Securities Limited

..... ... Petitioners.

Company Petition No. 120 No. of 2003
Connected with
Company Application No. 1 No. of 2003

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

President of the Union of India

In the matter of :

The Companies Act, 1956

- And -

**The Honourable Mr. Justice
Subhro Kamal Mukherjee**

In the matter of :

An application under Sections 391(2) and 394 of the said Act.

- And -

In the matter of :

Aekta Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at KCI Plaza, 1st Floor, 23C, Ashutosh Chowdhary Avenue, Kolkata - 700 019, within the aforesaid jurisdiction.

- And -

In the matter of :

Ludlow Securities Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at KCI Plaza, 1st Floor, 23C, Ashutosh Chowdhary Avenue, Kolkata - 700 019 within the aforesaid jurisdiction.

- And -

In the matter of :

1. Aekta Limited
2. Ludlow Securities Limited

... .. Petitioners

LSL for the purpose of considering and if thought fit approving with or without modification the proposed Scheme of Arrangement between the said AL and the said LSL And annexed to the joint affidavit of Devendra Kumar Bubna and Bimal Kumar Garodia filed on the Second day of January in the year two thousand and three. "The Financial Express" and the "Pratidin" both dated the twentieth day of January in the year two thousand and three each containing the advertisements of the notices convening the said meetings directed to be held by the said order dated the seventh day of January in the year two thousand and three the affidavit of Laxmi Narayan Sastry filed on the tenth day of February in the year two thousand and three showing the publications and despatch of the said notices convening the said meetings, the reports of the Chairpersons of the said meetings both dated the tenth day of March in the year two thousand and three as to the result of the said meetings And upon reading on the part of the petitioner companies another affidavit of the said Laxmi Narayan Sastry filed on the seventh day of April in the year two thousand and three and the exhibits therein referred to and an affidavit of Bimal Kumar Garodia filed on the nineteenth day of May in the year two thousand and three and the exhibits annexed thereto and upon reading on the part of Neelam Kanoi nee Lamboria and Suman Lamboria, certain objectors of the proposed Scheme of Arrangement an affidavit of the said Neelam Kanoi nee Lamboria filed on the sixteenth day of May in the year two thousand and three and the exhibits thereto and a supplementary affidavit of the said Neelam Kanoi nee Lamboria filed on the twenty third day of June in the year two thousand and three and the exhibits annexed thereto And upon reading the order made herein and dated the twenty fourth day of March in the year two thousand and three And upon hearing Mr. S. N. Mukherjee (Mr. Sanjib Banerjee, Mrs. Manju Bhuteria and Mr. Ravi Asopa appearing with him) Advocate for the petitioner companies and Mr. Joy Saha (Mr. M. S. Tiwari appearing with him) Advocate for certain objectors as mentioned hereinbefore And it appears that pursuant to a subsequent order dated twenty third day of September in the year two thousand and three the petitioner companies have made representations before the Finance Secretary, Government of West Bengal And after hearing the said Finance Secretary by his order cum certificate dated the twenty fourth day of November in the year two thousand and three remitted the stamp duty payable on this order sanctioning the proposed Scheme of Arrangement And in view of no objection granted by the Central Government by its letter being No. RD/T/12031/L/152/2003 dated second day of May in the year two thousand and three And upon the said Advocate for the said objectors praying for stay of operation of order.

This Court doth hereby sanction the proposed Scheme of Arrangement set forth in Annexure 'A' of the petition herein and specified in the Schedule 'A' hereto and doth hereby declare the same to be binding with effect from first day of April in the year two thousand and two (hereinafter referred to as the said Effective Date) on the said AL and the said LSL and their shareholders and all concerned.

This court doth order :

1. That all the properties, rights and powers of the said AL relating to its Sijberia Division as mentioned in Clause 2(ii) Part - II of the said Scheme including those specified in the first, second and third parts of the Schedule - 'B' hereto be transferred to from the said Effective Date and vest without further act or deed in the said LSL and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the said LSL for all the estate and interest of the said AL but subject, nevertheless to all charges now affecting the same; and
2. That all the debts, liabilities, duties and obligations of the said AL in or relating to its Sijberia Division be transferred from the said Effective Date without further act or deed to the said LSL the accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the debts, liabilities, duties and obligations of the said LSL; and
3. That all proceedings and/or suits and/or appeals now pending by or against the said AL in respect of its Sijberia Division be continued by or against the said LSL; and
4. That leave be and the same is hereby granted to the said AL to file its Schedule of Assets relating to its Sijberia Division stated in paragraph nineteen of the petition herein within a period of three weeks from the date hereof; and
5. That the said AL and the said LSL do within a period of thirty days from the date hereof cause the certified copies of this order to be delivered to the Registrar of Companies, West Bengal for registration; and

6. That any person interested shall be at liberty to apply before this Court in the above matter for such directions as may be necessary; and
7. That the prayer for stay of operation of this order by the said Advocate for the objectors be and the same is hereby rejected; and
8. That the petitioner Companies shall pay to the Central Government its costs of and incidental to this application assessed at Rupees one thousand seven hundred; and
9. That all parties do act on a xerox copy of the Dicta order duly counter signed by an officer of this Court being served on them.

Witness Mr. Ashok Kumar Mathur, Chief Justice at Calcutta aforesaid the nineteenth day of September in the year two thousand and three.

Khaitan & Co. Advocates

L. P. Tiwari Advocate

S. S. Sarkar Advocate

N.B. — Order dated twenty third day of
September in the year two thousand
and three has been acted upon with
this order.

Sd/- Illegible

06.12.2003

For Registrar

— Schedule "A"

- And -

Ludlow Securities Limited

- And -

Their Respective Shareholders

PART - I

1. DEFINITIONS :

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings :

- A. "The Act" means the Companies Act, 1956.
- B. "The Appointed Date" means the 1st day of April, 2002.
- C. "AL" means Aekta Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at KCI Plaza, 1st Floor, 23C, Ashutosh Chowdhary Avenue, Kolkata - 700 019 in the State of West Bengal.
- D. "LSL" means Ludlow Securities Limited, a Company incorporated under the provisions of the Companies Act, 1956; having its Registered Office at KCI Plaza, 1st Floor, 23C, Ashutosh Chowdhary Avenue, Kolkata - 700 019 in the State of West Bengal.
- E. "Chengail Division" means the division of AL at Chengail, District Howrah in the State of West Bengal where jute goods, jute yarn and other allied products are manufactured.
- F. "Sijberia Division" means the division at Sijberia of AL where at present plant & machineries have been given on rent and includes all the business undertaking; properties and liabilities of AL pertaining to the Sijberia Division including :
 - (a) all properties and assets, moveable and immoveable real and personal, corporeal and incorporeal, in possession or in reversion, freehold or leasehold, present and contingent of whatsoever nature, wheresoever situate, as on the Appointed Date including all lands measuring 39.00 acres approximately at Sijberia and Chengail Village, under P.S. Ulberia in the District of Howrah in the State of West Bengal relating to Sijberia Division, buildings, plant and machinery, vehicles, equipments, furniture and fittings, sundry debtors, investment in shares, inventories, cash and bank balances, bills of exchange, deposits, loans and advances as appearing in the books of accounts of AL relating to Sijberia Division net of revaluation, leases, tenancy rights, and agency of AL relating to Sijberia Division and all other interests or rights in or arising out of or relating to Sijberia Division together with all rights, powers, interests, charges, privileges, benefits, entitlement, industrial and other licenses, registrations, quotas, trade marks, patents, copy-rights, liberties easements and advantages appertaining to Sijberia Division and/or to which AL is entitled to in respect of Sijberia Division of whatsoever kind, nature or description held, applied for or as may be obtained hereafter together with the benefit of all contracts and engagements (including those in respect of land, building, plant and machinery) and all books, papers, documents and records relating to Sijberia Division, as per the schedule annexed.
 - (b) all debts, liabilities, duties and obligations as on Appointed Date of AL relating to and/or arising out of Sijberia Division including liabilities on account of unsecured loans, sundry creditors, sales tax, excise and other taxation and contingent liabilities — whether or not provided for in the books of account of AL, and
 - (c) all permanent employees of AL engaged in or in relation to Sijberia Division at its factory and offices on the basis of continuity of services.
- G. "Court" means the Hon'ble High Court at Calcutta.
- H. "Effective Date" means the date when the Certified copy of the order sanctioning the Scheme of Arrangement is filed with the Registrar of Companies, West Bengal by both the Companies respectively.
- I. The Scheme although effective from the Appointed Date shall become operative from the effective date.

WHEREAS :

1. The Authorised Share Capital of AL is Rs. 15,00,00,000/- divided into 1,49,90,000 Equity Shares of Rs. 10/- each and 1000 Redeemable Preference Shares of Rs. 100/- each. The Issued, Subscribed and Paid up Share Capital of AL is Rs. 10,79,77,500/- divided into 1,07,73,120 Equity Shares of Rs. 10/- each all fully paid up except Rs. 2,46,300/- which is added towards share forfeited amount.
2. The Authorised Share Capital of LSL is Rs. 25,00,000/- divided into 2,50,000 Equity Shares of Rs. 10/- each. The Issued Share Capital of LSL is Rs. 78,500/- divided into 7,850 Equity Shares of Rs. 10/- each and Subscribed and Paid up Share Capital of LSL is Rs. 30,500/- divided into 3,050 Equity Shares of Rs. 10/- each all fully paid up.
3. AL is presently engaged in the business interalia of manufacture and sale of jute goods and jute products.
4. LSL is presently engaged in the business of investing in shares and securities. LSL is a wholly owned subsidiary of AL.
5. AL has two divisions being firstly the "Chengail Division" at Chengail, District - Howrah in the State of West Bengal where jute goods, jute yarn and other allied products are manufactured and secondly the said "Sijberia Division" at Sijberia Village, District - Howrah in the State of West Bengal where plant & machineries are given on rent. LSL is a wholly owned subsidiary of AL. AL is a listed company.
6. AL has already undertaken a large scale investment, programme for modernisation and diversification of its said Chengail Division. To enable AL to provide adequate and timely resources for such programme and to meet the working capital requirement of its Chengail Division more effectively and conveniently it is considered desirable and expedient to reorganise and reconstruct the business and undertakings of AL by transferring the said Sijberia Division of AL to LSL which would independently finance the capital investment needed for business activities of Sijberia Division and separately develop the same. Sijberia Division has good prospect for growth and development of Land which requires induction of substantial finance which can be more conveniently and adequately raised in a separate company.
7. Under the Scheme of Arrangement it is proposed to transfer Sijberia Division to LSL in the manner and on the terms and conditions contained herein. The Scheme will enable AL to reduce, the pressure on its liquidity as also pursue the diversification programme more effectively and enable LSL to acquire Sijberia Division and to modernise and expand the same. The Scheme will result in independent growth and expansion of the respective business of the companies concerned and will facilitate greater focus on the core operation of the companies to improve their profit potential.

PART - II

1. With effect from the Appointed Date, Sijberia Division of AL shall be transferred to LSL subject to all charges, liens, mortgages, lispendenses, if any, then affecting the same or any part thereof.
2. It is clarified that the assets and liabilities comprised in the said Sijberia Division of AL shall be transferred to LSL in the following manner :
 - i) In respect of such assets which are movable in nature or are otherwise capable of transfer by manual/ physical delivery or by endorsement and delivery, the same shall be so transferred by AL and shall become the property of LSL.
 - ii) In respect of such of the assets as are immovable in nature the same shall be transferred by AL by executing such instrument or deed as may be applicable in favour of LSL under the relevant laws of the State of West Bengal within which the immovable assets are situated.
3. All debts, liabilities, duties and obligations of AL relating to its Sijberia Division as on the close of business on the day immediately preceding the Appointed Date and all other liabilities of AL relating to its Sijberia Division which may accrue or arise from the Appointed Date but which relate to the period up to the day immediately preceding the Appointed Date shall become the debts, liabilities, duties and obligations of LSL and LSL undertakes to meet, discharge and satisfy the same to the exclusion of AL and to keep AL indemnified at all times from and against all such debts, liabilities, duties and obligation and from and against all actions, demands and proceedings in respects thereto.
4. (a) LSL undertakes to engage on and from the effective date all the employees of AL engaged in Sijberia Division on the same terms and conditions on which they are engaged by AL without any interruption of services as a result of the transfer of Sijberia Division to LSL, LSL agrees that the services of all such employees with AL relating to Sijberia Division prior to such transfer shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

borne by and on account of AL. The amount of liability, in respect of gratuity (determined as the sum payable on the Appointed Date as if the same were due) relating to the employees of Sijberia Division shall be adjusted by AL and transferred to LSL.

5. If any proceedings by or against the AL relating to its Sijberia Division be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of AL or anything contained in this Scheme but the proceedings including those by the creditors of AL relating to Sijberia Division may be continued, prosecuted and enforced by or against LSL in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against AL if this scheme had not been made.
6. With effect from the Appointed Date and upto and including the date on which Sijberia Division is duly transferred to LSL as provided herein :
 - (a) AL undertakes to carry on the business of its Sijberia Division in the ordinary course of business and AL shall be deemed to have carried on and to be carrying on all business and activities relating to its Sijberia Division for and on account of and in trust for LSL.
 - (b) All profits accruing to AL or losses arising or incurred by it relating to its Sijberia Division for the period falling on and after the Appointed Date shall for all purposes be treated as the profits or losses, as the case may be of LSL and AL undertakes not to utilise the profits if any relating to Sijberia Division for the purposes of declaring or paying any dividend in respect of the period falling on and after the Appointed Date.
 - (c) AL shall be deemed to have held and stood possessed of the properties so to be transferred to LSL for and on account of and in trust for LSL and, accordingly, AL shall not (without the prior written consent of LSL) alienate, charge or otherwise deal with or dispose off its Sijberia Division or any part thereof except in the usual course of business.
7. The transfer of properties and liabilities of AL relating to Sijberia Division under clauses 1 and 2 hereof and the continuance of the proceedings by or against LSL under clause 5 hereof shall not affect any transaction or proceeding already completed by AL on and after the Appointed Date to the end and intent that LSL accepts all acts, deeds and things done and executed by and/on behalf of AL as acts deeds and things done and executed by and on behalf of LSL.
8. Subject to the other provisions contained in the Scheme all contracts, deeds, bonds, agreements, insurance policies and other instruments, of whatsoever nature relating to Sijberia Division of AL to which AL is a party subsisting or having effect immediately before this Scheme becomes operative shall remain in full force and effect against or in favour of LSL and may be enforced as fully and effectually as if instead of AL, LSL had been a party thereto.
9. For the purposes of this Scheme, a Statement of Account as on the date preceding the Appointed Date shall be drawn up in respect of Sijberia Division of AL to be transferred to LSL as per this Scheme. The said Statement of Account shall be drawn up on the basis of books of Account of AL as on the day immediately preceding the Appointed Date. The value of the assets of Sijberia Division of AL proposed to be transferred shall be taken at the values net of revaluation as appearing in the said books of Account of AL.
10. Upon the transfer of Sijberia Division of AL to LSL in accordance with this Scheme, LSL shall without any further application, issue and allot to every Equity Shareholder in 'AL' 1 (one) Equity Share of Rs. 10/- each credited as fully paid up in LSL for every 10 (ten) Equity Shares of Rs. 10/- each fully paid up and held by such shareholder in AL.
11. It is clarified that the value of assets of AL relating to Sijberia Division to be transferred to LSL under the Scheme shall be reduced from the Revaluation Reserve of AL. The difference between the net worth and the shares to be allotted to the shareholders of AL will be treated as Capital Reserve/Goodwill in LSL as the case may be.
12. The Equity Shares in LSL to be issued and allotted to the members of AL as per Clause 10 above shall rank pari passu in all respects with the existing Equity Shares of LSL and shall carry all the rights and privileges that were attached to the shares of AL prior to the allotment of such shares in LSL.
13. No fractional certificates shall be issued by LSL in respect of the fractional entitlements, if any, to which the members of AL may be entitled to under the Scheme. All such fractional entitlements shall be consolidated into whole shares and be allotted to one of the directors or officers of LSL, as a Trustee for sale thereof to such persons and at such price as may be approved by the Board of Directors of AL in this regard and for payment of the net proceeds to the persons entitled thereto after such sale in proportion to their respective fractional entitlements.

14. After this Scheme becomes operative LSL shall also be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of Sijberia Division in the name of AL in so far as may be necessary.
15. All the permanent employees of AL relating to its Sijberia Division shall become the employees of LSL without interruption in services and on the basis of continuity of service and on terms not less favourable to them those applicable to them on the Effective Date.
16. LSL shall take necessary steps, if required to increase its Authorised and Paid up Share Capital to enable it to issue and allot shares to the shareholders of AL in terms of paragraph 10 above.
17. Until the Effective Date neither LSL nor AL shall issue or allot any further shares either by way of Right Shares or Bonus Shares or otherwise or change the Issued or Paid up Capital of any of the Companies in any manner.

PART - III

1. AL and LSL shall make necessary applications before the Hon'ble High Court at Calcutta for the sanction of this Scheme of Arrangement.
2. Save and except Sijberia Division of AL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and business of AL which shall continue to belong to and be vested in and be owned, managed and run by AL.
3. AL and/or LSL will take the approvals from Banks and others, wherever necessary, for the implementation of the Scheme.
4. On and from the Effective Date the name of LSL shall stand changed to and/or deemed to be changed to "SIJBERIA INDUSTRIES LIMITED" or such other name as may be approved by the concerned authorities and agreed to by the Board of Directors of LSL and LSL shall be entitled to obtain fresh certificate of incorporation consequent upon change of name on the basis of this sanctioned Scheme and it shall not be necessary for LSL to hold any other General Meeting of the shareholders for this purpose.
5. On and from the effective date Clause V of the existing Memorandum of Association of LSL be amended as under :
The Authorised Share Capital of the Company is Rs. 2,00,00,000/- (Rupees Two Crores) divided into 20,00,000 (Twenty Lacs) Equity Shares of Rs. 10/- each, with power to increase and reduce the capital to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential or special rights, privileges or conditions as may be determined by or in accordance with the Act for the time being in force and the regulations of the Company and to vary modify or abrogate and such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.
6. AL and LSL (through their respective Board of Directors) and in their full and absolute discretion, may assent to any alteration or modification to this scheme which the Courts and/or any other Authority may deem fit to approve or impose and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in any manner connected therewith.
7. The Scheme is conditional upon and subject to the following :
 - (a) The Scheme being approved by the respective requisite majorities of the shareholders of AL and LSL and it being sanctioned by the Hon'ble High Court at Calcutta.
 - (b) Certified copies of the order of the Hon'ble High Court at Calcutta, sanctioning this Scheme, being filed with the Registrar of Companies, West Bengal by AL and LSL.
 - (c) For Non-resident shareholders the Scheme shall be subject to requisite approval being obtained by the Reserve Bank of India under the provisions of Foreign Exchange Management Act, 1999 for issue of shares of LSL in accordance with the provisions of the Scheme.
8. AL and/or LSL shall each be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any authority is unacceptable to them.
9. All costs, charges and expenses incurred in carrying out and implementing the terms and provisions of this scheme and incidentals thereto including those incurred during negotiations leading to the Scheme shall be borne by AL.
10. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any assets so transferred under this scheme or as to the accounting treatment thereof order to anything else contained in or relating to or arising out of this scheme the same shall be referred to Sri P. K. Khaitan, Advocate of 1B, Old Post Office Street, Calcutta-700 001 and failing him, such other person as is mutually agreed between AL and LSL, whose decision shall be final.

KHATIAN NO.	PLOT NO.	AREA IN ACRES
583	1650	0.73
583	1664/1688	0.62
584	1651	1.23
584	1652	1.40
584	1653	0.65
584	1660	1.82
584	1661	0.42
584	1662	2.26
584	1663	1.10
589	1663/1678	0.62
589	1658/1679	0.39
590	1663/1680	0.51
1014	4026	9.00
1014	4027	0.70
1014	4031	0.41
1014	4032	1.15
1014	4035	0.12
1014	4041	0.12
1826	4040	0.85
1827	4033	0.34
1828	4034	0.03
583	1655	0.31
408	1654	0.35
584	1653	0.55
584	1684	0.91
584	1683	0.50
590	1682	0.29
589	1678	0.31
590	1681	0.06
584	1689	0.08
590	1680	0.10
590	1663	0.62
584	1685	0.39
446	1687	1.82
590	1686	0.11
584	1666	0.58
584	1665	0.15
583	1688	0.21
1825	4040	0.08
1014	4041	0.35
1014	4042	0.18

KHATIAN NO.	PLOT NO.	AREA IN ACRES
1825	4039	0.14
1014	4034	0.94
1827	4044	0.35
1014	4046	0.29
1014	4047	0.60
1014	4049	0.29
1825	4038	0.12
1014	4037	0.08
408	1677	0.10
584	1657	0.27
584	1659	1.23
1014	4028	0.62
1014	4029	0.91
1014	4036	0.02
1825	4054	0.08
479	687	0.05
	687 / 1592	0.02
	687 / 1593	0.03
	687 / 1594	0.08
	686	
	677	
	677 / 1436	0.36
	677 / 1037	
	694	
		39.00

The value of the land to be transferred to Rs. 15.06 Lacs without revaluation.

A short description of the Buildings of Aekta Limited to be transferred to Ludlow Securities Limited	
Particulars	Area in Sq. Ft.
R. J. Shed	72122
R. J. Shed	67837
Jute Selection Shed (Old)	1600
Latrine Block	1020
Bungalow No. 1 to 10 and Bungalow No. 12	43700
Club House	3000
Mali Quarters	1500
School & Ex-Dhobi House	1810
Garage & Ex-Servant Quarters	7250
Staff Quaters 1 to 7, 8A and 8B	9325
Mess Quarters	6060
Caustic Soda Tank Section & Structures	1694
	216918
The value of the Building to be transferred to Rs. 18.84 lacs without revaluation.	

1.	Felt Looms (Neddle Looms)	1	67740
2.	Cutting Machine	1	2550
3.	Felt Cutting Machine	1	2007
4.	Gamet Machine	1	34026
	-do-	1	21266
	-do-	1	163774
5.	Semi Automatic Jumbo Jigger	1	12615
6.	Ordinary Semi Turbo Jigger	1	8724
7.	Auto Jumbo Jigger	1	55422
8.	Old Jumbo Jigger	2	490018
9.	Drying Machine Range (12 Cylinders)	1	500093
10.	Drying Tank with Water Pipe Line	1	51711
11.	Extension of Drying Plant with Effluent Machine	1	559243
12.	Winch Machine	1	151005
13.	Calender Machine	1	176061
14.	Sinzing Machine	1	264237
15.	Needle Punching Loom	2	30892
16.	Cutting Machine	1	960
17.	Piano Card Cutting Machine	1	1297
18.	Transformer 100x5, 200x2 - 900 KVA	7	35000
19.	Caustic Soda Storage Tanks & Accessories	3	501513
20.	Zero-Zero Shrinkage Machine	1	400647
21.	Dobby Card Punching M/c	1	27137
22.	Beaming Machine	1	9644
23.	Jupiter Sizing Machine	1	58157
24.	Jupiter Wrapping Machine	2	59321
25.	Flex Printing Machine	1	775
26.	Bale Printing Machine	1	2846
27.	Lamination Machine	1	978
28.	Lamination Plant	1	8855
29.	Old Isotex Thermopex Boiler	1	745525
30.	Jacquard/Dobby Looms	2	8234
	- do -	4	45594
31.	Dobby Looms	19	61672
32.	Cotton Wrapper Machine	2 sets	6348
33.	Sizing Machine	1	4763
34.	Hackle Machine	1	23668
35.	Sewing Machine	6	2123
36.	Herackle	10	4357
37.	Bagg Pickers	1	5
38.	Bagg Inter Card	2	1284
39.	Bagg Finisher Card	88	3256
40.	Soil Twister	8	2549
41.	Soil Quiller	-	366
42.	Looms (Soil Saver)	5	29293

Sl. No.	Description	No. of Machines	W.D.V. as on 31.03.2002
43.	Scale Platform	1	25
44.	Polished Yarn Machine	1	470
45.	Twister Reeling M/c	2	8
46.	Diesel Generator (Kirloskar - 180 KVA)	4	90000
47.	Diesel Generator (Kirloskar - 250 KVA)	7	327676
48.	Diesel Generator (Sulzer - 700 KVA)	1	35086
49.	Diesel Generator (Kirloskar - 310 KVA)	1	37020
50.	Thermax Boiler	1 set	255349
51.	V T Engine 500 KVA	1 set	250075
52.	Bagging Twister	9	45
53.	Oil Fried Boiler	1	306374
54.	Press	1	5
55.	Calendar	1	2206
56.	Beaming Machine	1	4270
57.	Beaming Machine	1	3499
58.	Macroll Winder	1	128
59.	Hessian Looms — 52 — 1/2	30	4874
60.	Hessian Looms — 56	32	32698
61.	Hessian Looms — 46 — 1/2 (SEKO)	80	113737
62.	Hessian Looms — 67 — 1/2	16	31928
63.	Hessian Looms — 70	12	20587
64.	Precision Winding Machines	50	250
65.	Cop Winding Britainia	2	662
66.	Cop Winding Parker	1	2685
67.	Scheiweter Cop Winding	8	40
68.	Scheiweter Cop Winding	5	440
69.	O/H Sewing Machine	21	105
70.	Dust Shaker	1	99
71.	Rope Opener	2	10
72.	Loco Engine	2	10
73.	Motor Launch	1	5
74.	Rope Making	2	10
75.	Macroll Winding	1	5
76.	Transformer 520 KVA	2	50
77.	Broad Loom 210"	4	559009
			6716991

The value of the machineries & equipments to be transferred to Rs. 67.17 lacs without revaluation.

sd. Illegible
06.12.2003
for Registrar
— Schedule "B"

MOUZA/J.L.KHATIAN NO.	PLOT NO.	AREA IN ACRES
SIJBERIA / JL 106		
583	1650	0.73
583	1664/1688	0.62
584	1651	1.23
584	1652	1.40
584	1653	0.65
584	1660	1.82
584	1661	0.42
584	1662	2.26
584	1663	1.10
589	1663/1678	0.62
589	1658/1679	0.39
590	1663/1680	0.51
CHENGAIL / JL 105		
1014	4026	9.00
1014	4027	0.70
1014	4031	0.41
1014	4032	1.15
1014	4035	0.12
1014	4041	0.12
1826	4040	0.85
1827	4033	0.34
1828	4034	0.03
SIJBERIA/JL 106		
583	1655	0.31
408	1654	0.35
584	1653	0.55
584	1684	0.91
584	1683	0.50
590	1682	0.29
589	1678	0.31
590	1681	0.06
584	1689	0.08
590	1680	0.10
590	1663	0.62
584	1685	0.39
446	1687	1.82
590	1686	0.11
584	1666	0.58
584	1665	0.15
583	1688	0.21

MOUZA/J.L.KHATIAN NO.	PLOT NO.	AREA IN ACRES
CHENGAIL / JL 105		
1825	4040	0.08
1014	4041	0.35
1014	4042	0.18
1825	4039	0.14
1014	4034	0.94
1827	4044	0.35
1014	4046	0.29
1014	4047	0.60
1014	4049	0.29
1825	4038	0.12
1014	4037	0.08
SIJBERIA/ JL 106		
408	1677	0.10
584	1657	0.27
584	1659	1.23
CHENGAIL / JL 105		
1014	4028	0.62
1014	4029	0.91
1014	4036	0.02
1825	4054	0.08
687	687	0.05
687	687 / 1592	0.02
687	687 / 1593	0.03
687	687 / 1594	0.08
479	686	
479	677	
479	677 / 1436	0.36
479	677 / 1437	
479	694	
		39.00

The value of the land is Rs. 15.06 lacs as appearing in the books of accounts as on 31.03.2002.

Description of the Buildings of Aekta Limited relating to Sijberia Division

Particulars	Area in Sq. Ft.
R. J. Shed	72122
" "	67837
Jute Selection Shed (Old)	1600
Latrine Block	1020
Bungalow No. 1 to 10 and Bungalow No. 12	43700
Club House	3000
Mali Quatrers	1500
School & Ex-Dhobi House	1810
Garage & Ex-Servant Quarters	7250
Staff Quarters 1 to 7, 8A and 8B	9325
Mess Quarters	6060
Caustic Soda Tank Section & Structures	1694
	216918

The value of the Building is Rs. 18.84 lacs as appearing in the books of accounts as on 31.03.2002

2.	Cutting Machine	1	2550
3.	Felt Cutting Machine	1	2007
4.	Garnet Machine	1	34026
	-do-	1	21266
	-do-	1	163774
5.	Semi Automatic Jumbo Jigger	1	12615
6.	Ordinary Semi Turbo Jigger	1	8724
7.	Auto Jumbo Jigger	1	55422
8.	Old Jumbo Jigger	2	490018
9.	Drying Machine Range (12 Cylinders)	1	500093
10.	Drying Tank with Water Pipe Line	1	51711
11.	Extension of Drying Plant with Effluent Machine	1	559243
12.	Winch Machine	1	151005
13.	Calender Machine	1	176061
14.	Sinzing Machine	1	264237
15.	Needle Punching Loom	2	30892
16.	Cutting Machine	1	960
17.	Piano Card Cutting Machine	1	1297
18.	Transformer 100x5, 200x2 - 900 KVA	7	35000
19.	Caustic Soda Storage Tanks & Accessories	3	501513
20.	Zero-Zero Shrinkage Machine	1	400647
21.	Dobby Card Punching M/c	1	27137
22.	Beaming Machine	1	9644
23.	Jupiter Sizing Machine	1	58157
24.	Jupiter Wrapping Machine	2	59321
25.	Flex Printing Machine	1	775
26.	Bale Printing Machine	1	2846
27.	Lamination Machine	1	978
28.	Lamination Plant	1	8855
29.	Old Isotex Thermopex Boiler	1	745525
30.	Jacquard/Dobby Looms	2	8234
	- do -	4	45594
31.	Dobby Looms	19	61672
32.	Cotton Wrapper Machine	2 sets	6348
33.	Sizing Machine	1	4763
34.	Hackle Machine	1	23668
35.	Sewing Machine	6	2123
36.	Herackle	10	4357
37.	Bagg Pickers	1	5
38.	Bagg Inter Card	2	1284
39.	Bagg Finisher Card	88	3256
40.	Soil Twister	8	2549
41.	Soil Quiller	-	366
42.	Looms (Soil Saver)	5	29293

Sl. No.	Descriptions	No. of Machines	W.D.V. as on 31.03.2002
43.	Scale Platform	1	25
44.	Polished Yarn Machine	1	470
45.	Twister Reeling M/c	2	8
46.	Diesel Generator (Kirloskar - 180 KVA)	4	90000
47.	Diesel Generator (Kirloskar - 250 KVA)	7	327676
48.	Diesel Generator (Sulzer - 700 KVA)	1	35086
49.	Diesel Generator (Kirloskar - 310 KVA)	1	37020
50.	Thermax Boiler	1 set	255349
51.	V T Engine 500 KVA	1 set	250075
52.	Bagging Twister	9	45
53.	Oil Fried Boiler	1	306374
54.	Press	1	5
55.	Calendar	1	2206
56.	Beaming Machine	1	4270
57.	Beaming Machine	1	3499
58.	Macroll Winder	1	128
59.	Hessian Looms — 52 — 1/2	30	4874
60.	Hessian Looms — 56	32	32698
61.	Hessian Looms — 46 — 1/2 (SEKO)	80	113737
62.	Hessian Looms — 67 — 1/2	16	31928
63.	Hessian Looms — 70	12	20587
64.	Precision Winding Machines	50	250
65.	Cop Winding Britania	2	662
66.	Cop Winding Parker	1	2685
67.	Scheiwater Cop Winding	8	40
68.	Scheiwater Cop Winding	5	440
69.	O/H Sewing Machine	21	105
70.	Dust Shaker	1	99
71.	Rope Opener	2	10
72.	Loco Engine	2	10
73.	Motor Launch	1	5
74.	Rope Making	2	10
75.	Macroll Winding	1	5
76.	Transformer 520 KVA	2	50
77.	Broad Loom 210"	4	559009
			6716991

The value of the machineries & equipments is Rs. 67.17 lacs as appearing in the books of account as on 31.03.2002.

PART - II

Short description of the Leasehold property of Aekta Limited relating to its Sijberia Division

NIL

PART - III

Short description of Stocks, Shares, Debenture and other Choses in action of Aekta Limited relating to its Sijberia Division

NIL

Sd/- Illegible

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the Matter of Companies Act, 1956

and

**In the Matter of
Aekta Limited & Anr.**

Order

18

**of the 19th day of September, 2003
Filed this 8th day of December, 2003**

- | | |
|---|---------|
| (i) Date of Application for Copy | 22.9.03 |
| (ii) Date of Notifying the charge | 8.12.03 |
| (iii) Date of Filling in the charges | 8.12.03 |
| (iv) Date on which the copy was
Ready for delivery | 8.12.03 |
| (v) Date of Making over the copy
to the Applicants | 8.12.03 |

**Sd/-
Superintendent
Company Matters Department.**

**Khaitan & Co.
Attorney**